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83D CONGRESS
2D SESSION

S. 2665

IN THE SENATE OF THE UNITED STATES

JANUARY 11 (legislative day, JANUARY 7), 1954

Mr. CARLSON introduced the following bill; which was read twice and referred to the Committee on Post Office and Civil Service

A BILL

To amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO THE CLASSIFICATION ACT OF 1949, AS AMENDED

SEC. 101. This title may be cited as the "Classification Act Amendments of 1954".

SEC. 102. The Classification Act of 1949, as amended, is further amended as follows:

(a) Paragraph (7) of section 202 is amended to read as follows:

"(7) employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semi-skilled, or skilled manual-labor occupations, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and knowledge as the paramount requirement, and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experience, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine operations: *Provided,* That the compensation of such employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates: *Provided further,* That in any area where in the opinion of the employing agency the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees may with the approval of the Civil Service Commission be paid administratively at rates payable under the Classification Act of 1949, as amended, for positions of equivalent difficulty or responsibility;".

1 (b) Section 505 is amended to read as follows:

2 "SEC. 505. (a) No position shall be placed in grade 16
3 or 17 of the General Schedule except by action of, or after
4 prior approval by, the Commission.

5 "(b) No position shall be placed in or removed from
6 grade 18 of the General Schedule except by the President
7 upon recommendation of the Commission.

8 "(c) There shall not be more than seven hundred posi-
9 tions in grades 16, 17, and 18 of the General Schedule at
10 any one time."

11 (c) Section 601 is amended to read as follows:

12 "SEC. 601. There is hereby established for positions to
13 which this Act applies a basic compensation schedule to be
14 known as the 'General Schedule', the symbol for which shall
15 be 'GS'."

16 (d) Section 602 is amended as follows:

17 (1) Strike out the "(a)" after "SEC. 602."

18 (2) Subsection (b) of said section is hereby repealed.

19 (e) Section 603 is amended as follows:

20 (1) Subsection (a) of said section is amended to read
21 as follows:

22 "(a) The rates of basic compensation with respect to
23 officers, employees, and positions to which this Act applies

1 shall be in accordance with the compensation schedule con-
2 tained in subsection (b)."
3 (2) Subsection (c) of said section is hereby repealed.
4 (3) Subsection (d) of said section is relettered and
5 amended to read as follows:
6 "(c) Whenever payment is made on the basis of a
7 daily, hourly, weekly, biweekly, or monthly rate, such rate
8 shall be computed from the appropriate annual rate specified
9 in subsection (b) by the method prescribed in section 604
10 (d) of the Federal Employees Pay Act of 1945, as
11 amended."
12 (f) Section 604 is amended to read as follows:
13 "SEC. 604. Employees receiving basic compensation at
14 a rate authorized by law, immediately prior to the effective
15 date of this title, in excess of the appropriate new rate of
16 the grade as determined under paragraphs (1) to (10),
17 inclusive, of section 604 (b) of this Act, as in effect prior to
18 the date of enactment of the Classification Act Amendments
19 of 1954, may continue to receive such rate so long as they
20 remain in the same position and grade, but when any such
21 position becomes vacant, the rate of basic compensation of
22 any subsequent appointee shall be fixed in accordance with
23 this Act."

1 (g) Section 703 is amended as follows:

2 (1) Subsection (b) (1) is amended to read as follows:

3 "(b) (1) No officer or employee shall be entitled to
4 a longevity step increase while holding a position in any
5 grade above grade 15 of the General Schedule."

6 (2) Subsection (c) is amended by striking out "section
7 604 (b) (11), section 1105 (b)" and inserting in lieu
8 thereof "section 604 or section 1105 (b) of this Act, or
9 section 103 (b) (4) of the Classification Act Amendments
10 of 1954".

11 (h) Section 704 of such Act is amended by adding at
12 the end thereof a new sentence as follows: "Service immedi-
13 ately preceding the date of enactment of the Classification
14 Act Amendments of 1954 shall be counted toward longevity
15 step increases under section 703 in the case of persons in
16 grades 11 to 15, inclusive, who on such date are receiving
17 compensation at the maximum scheduled rates for their
18 respective grades."

19 (i) Section 802 (b) is amended by striking out "section
20 604 (b) (11), section 1105 (b)" and inserting in lieu
21 thereof "section 604 or section 1105 (b) of this Act or
22 section 103 (b) (4) of the Classification Act Amendments
23 of 1954".

1 (j) Section 803 is amended to read as follows:

2 "SEC. 803. (a) Whenever the Commission shall find
3 (1) that a sufficient number of qualified eligibles for posi-
4 tions in a given class cannot be secured in one or more areas
5 or locations at the existing minimum rate for such class, and
6 (2) that there is a possibility that a sufficient number of
7 such eligibles can be secured by increasing the minimum rate
8 for such class in such areas or locations to one of the higher
9 rates within the grade in which such class is placed, the
10 Commission may establish such higher rate as the minimum
11 rate for that class in each area or location concerned.

12 "(b) Minimum rates established under subsection (a)
13 may be revised from time to time by the Commission. Such
14 actions or revisions shall have the force and effect of law.

15 "(c) Any increase in rate of basic compensation result-
16 ing from the establishment of new minimum rates under this
17 section shall not be regarded as an 'equivalent increase' in
18 compensation within the meaning of title VII."

19 SEC. 103. (a) Not later than the first day of the first
20 pay period which begins six months after the enactment of
21 this Act, all positions in the Crafts, Protective, and Custo-
22 dial Schedule of the Classification Act of 1949, as amended,
23 not excluded from such Act by section 202 (7) thereof,

1 as amended herein, shall be placed in corresponding grades
2 of the General Schedule as set forth below:

Grade of the Crafts, Protective, and Custodial Schedule	Corresponding new grade of the General Schedule
1	1
2	1
3	1
4	2
5	3
6	4
7	5
8	6
9	7
10	8

3 (b) The rates of basic compensation of officers and
4 employees to whom this section applies shall be initially
5 adjusted as follows:
6 (1) If the employee is receiving a rate of basic com-
7 pensation less than the minimum scheduled rate of the grade
8 in which his position is placed, his compensation shall be
9 increased to the minimum rate;
10 (2) If the employee is receiving a rate of basic compen-
11 sation within the range of salary prescribed for the grade in
12 which his position is placed, at one of the rates fixed therein,
13 no change shall be made in his existing rate;
14 (3) If the employee is receiving a rate of basic compen-
15 sation within the range of salary prescribed for the grade in
16 which his position is placed, but not at one of the rates fixed
17 therein, his compensation shall be increased to the next higher
18 rate;

1 (4) If the employee is receiving a rate of basic compen-
2 sation in excess of the maximum scheduled rate for the grade
3 in which his position is initially placed, he shall continue to
4 receive basic compensation without change in rate until (a)
5 he leaves such position, or (b) he is entitled to receive basic
6 compensation at a higher rate by reason of the operation
7 of other provisions of the Classification Act of 1949, as
8 amended; but when any such position becomes vacant, the
9 rate of basic compensation of any subsequent appointee shall
10 be fixed in accordance with the provisions of the Classification
11 Act of 1949, as amended; and
12 (5) The conversion to grades of the general schedule of
13 positions covered by this section, and the initial adjustments
14 in compensation as prescribed herein, shall not be construed
15 to be transfers or promotions within the meaning of section
16 802 (b) of the Classification Act of 1949, as amended, and
17 the regulations issued thereunder.
18 SEC. 104. (a) With respect to any employee and posi-
19 tion, which, immediately prior to the date of enactment of
20 this Act, is subject to the Classification Act of 1949, as
21 amended, but to which section 102 (a) of this title applies,
22 this title shall take effect on the date or dates specified by the
23 head of the respective department, but not later than the
24 first day of the first pay period which begins after twelve
25 months following the date of enactment of this Act.

1 (b) Employees to whom sections 102 (a) and 103 of
2 this title apply shall continue to receive compensation at
3 rates prescribed for the grades of their respective positions
4 by the Classification Act of 1949, as amended, in effect on
5 the date of enactment of this Act, until their compensation
6 shall have been fixed in accordance with the provisions of
7 this title.

8 SEC. 105. The Commission is hereby authorized to issue
9 such regulations as may be necessary for the administration
10 of this title.

11 SEC. 106. Nothing contained in this title shall be con-
12 strued to decrease the existing compensation of any present
13 employee, but when his position becomes vacant, any sub-
14 sequent appointee to such position shall be compensated in
15 accordance with the regular schedule applicable to such
16 position.

17 TITLE II—PREMIUM COMPENSATION

18 SEC. 201. This title may be cited as the "Premium
19 Compensation Act of 1954".

20 SEC. 202. The Federal Employees Pay Act of 1945, as
21 amended, is further amended as follows:

22 (a) Section 101 is amended as follows:

23 (1) Subsection (a) is amended by striking out "titles

1 II and III" and inserting in lieu thereof "titles II, III, and
2 IV".

3 (2) Subsection (b) is repealed.

4 COMPENSATION FOR OVERTIME WORK

5 (b) Section 201 is amended to read as follows:

6 "SEC. 201. All hours of work officially ordered or
7 approved in excess of forty hours in any administrative
8 workweek performed by officers or employees to whom
9 this title applies shall be considered to be overtime work
10 and compensation for such overtime work, except as other-
11 wise provided for in this Act, shall be at the following
12 rates:

13 "(a) For officers and employees whose basic com-
14 pensation is at a rate which does not exceed the maximum
15 scheduled rate of basic compensation provided for grade
16 GS–9 in the Classification Act of 1949, as amended, the
17 overtime hourly rate of compensation shall be an amount
18 equal to one and one-half times the hourly rate of such
19 officer's or employee's basic compensation, and all of such
20 amount shall be considered premium compensation.

21 "(b) For officers and employees whose basic com-
22 pensation is at a rate which exceeds the maximum scheduled
23 rate of basic compensation provided for grade GS–9 in the
24 Classification Act of 1949, as amended, the overtime hourly
25 rate of compensation shall be an amount equal to one and

1 one-half times the hourly rate of such maximum rate, and
2 all of such amount shall be considered premium compen-
3 sation."

4 (c) Section 202 (a) is amended to read as follows:

5 "SEC. 202. (a) The head of any department, inde-
6 pendent establishment, or agency, including Government-
7 owned or controlled corporations, or the municipal govern-
8 ment of the District of Columbia (1) may, at the request
9 of any officer or employee, grant such officer or employee
10 compensatory time off from his scheduled tour of duty in
11 lieu of payment for an equal amount of time spent in
12 irregular or occasional overtime work, and (2) may, at
13 his own discretion, provide that any officer or employee,
14 whose rate of basic compensation is in excess of the maximum
15 scheduled rate of basic compensation provided for grade
16 GS–9 in the Classification Act of 1949, as amended, shall
17 be compensated for irregular or occasional overtime work
18 for which compensation would be due under this Act with
19 not more than an equal amount of compensatory time off
20 from his scheduled tour of duty in lieu of such compensation."

21 (d) (1) Section 203 is redesignated as section 205,
22 and wherever such section number appears in such Act or
23 in any other provision of law it is amended to conform to the
24 redesignation prescribed by this subsection.

1 (2) After section 202, insert the following new sections:

2 "CALL-BACK OVERTIME

3 "SEC. 203. For the purposes of this Act, any unsched-
4 uled overtime work performed by any officer or employee
5 on a day when no work was scheduled for him, or for which
6 he is required to return to his place of employment, shall
7 be considered to be at least two hours in duration.

8 "TIME IN TRAVEL STATUS

9 "SEC. 204. For the purpose of this Act, time spent in a
10 travel status away from the official-duty station of any officer
11 or employee shall be considered as hours of employment only
12 when (a) within the days and hours of such officer's or em-
13 ployee's regularly scheduled administrative workweek, in-
14 cluding regularly scheduled overtime hours, or (b) when the
15 travel involves the performance of work while traveling or
16 is carried out under arduous conditions."

17 COMPENSATION FOR NIGHT AND HOLIDAY WORK

18 (e) Section 301 is amended to read as follows:

19 "SEC. 301. (a) Any regularly scheduled work between
20 the hours of six o'clock postmeridian and six o'clock ante-
21 meridian (including periods of absence with pay during
22 such hours due to holidays, and any such hours within
23 periods of leave with pay if such periods total less than
24 eight hours during any pay period) shall be considered night
25 work, except as provided in subsection (b), and any officer

1 or employee performing such work to whom this title applies
2 shall be compensated for it at his rate of basic compensation
3 plus premium compensation amounting to 10 per centum of
4 such rate, unless otherwise provided in this Act, and except
5 that this section shall not operate to modify the provisions
6 of the Act of July 1, 1944 (Public Law Numbered 394,
7 Seventy-eighth Congress), or any other law authorizing
8 additional compensation for night work.

9 "(b) The head of any department, independent estab-
10 lishment, or agency, including Government-owned or con-
11 trolled corporations, may designate any time after six
12 o'clock postmeridian and any time before six o'clock ante-
13 meridian as the beginning and end, respectively, of night
14 work for the purpose of subsection (a) at any post outside
15 the several States and the District of Columbia where cus-
16 tomary hours of business extend into the hours of night work
17 provided by such subsection."

18 (f) Section 302 of the Federal Employees Pay Act of
19 1945, as amended, is amended to read as follows:

20 "SEC. 302. (a) All work not exceeding eight hours,
21 which is not overtime work as defined in section 201 of
22 this Act and which is performed on a holiday designated
23 by Federal statute or Executive order, shall be compen-
24 sated at the rate of basic compensation of the officer or
25 employee performing such work on a holiday plus pre-

1 mium compensation amounting to one and one-half times
2 such part of such officer's or employee's basic compensa-
3 tion as does not exceed the maximum scheduled rate of
4 basic compensation provided for grade GS–9 in the Clas-
5 sification Act of 1949, as amended, unless otherwise pro-
6 vided in this Act. Any officer or employee who is required
7 to perform any work on such a holiday shall be compensated
8 for at least two hours of such work, and any such premium
9 compensation due under the provisions of this section shall
10 be in addition to any premium compensation which may be
11 due for the same work under the provisions of section 301
12 of this Act providing premium compensation for nightwork.
13 "(b) Overtime work, as defined in section 201 of this
14 Act, on Sundays and such holidays shall be compensated in
15 accordance with the provisions of such section 201."
16 SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK
17 (g) After title III insert a new title as follows:
18 "TITLE IV—SPECIAL PROVISIONS FOR CERTAIN
19 TYPES OF WORK
20 "SEC. 401. The head of any department, independent
21 establishment, or agency, including Government-owned or
22 controlled corporations, or the municipal Government of the
23 District of Columbia may, with the approval of the Civil
24 Service Commission, provide that—
25 "(a) any officer or employee in a position requir-

1 ing him to regularly remain at, or within the confines
2 of, his station during longer than ordinary periods of
3 duty, a substantial part of which consists of remaining
4 in a standby status rather than performing work, shall
5 receive premium compensation for such duty on an
6 annual basis in lieu of premium compensation provided
7 by any other provisions of this Act. Premium compensa-
8 tion under this subsection shall be determined as an ap-
9 propriate percentage (not in excess of 25 per centum)
10 of such part of the basic compensation for any such posi-
11 tion as does not exceed the maximum scheduled rate of
12 basic compensation provided for grade GS–9 in the
13 Classification Act of 1949, as amended, by taking into
14 consideration the number of hours of actual work re-
15 quired in such positions, the number of hours required
16 in a standby status at or within the confines of the sta-
17 tion, the extent to which the duties of such position are
18 made more onerous by night or holiday work, or by
19 being extended over periods of more than forty hours a
20 week, and any other relative factors; or
21 "(b) any officer or employee in a position in which
22 the hours of duty cannot be controlled administratively,
23 and which requires substantial amounts of irregular,
24 unscheduled, overtime duty and duty at night and on
25 holidays with the officer or employee generally being

1 responsible for recognizing, without supervision, circum-
2 stances which require him to remain on duty, shall
3 receive premium compensation for such day on an annual
4 basis in lieu of premium compensation provided by any
5 other provisions of this Act, except for regularly sched-
6 uled overtime duty. Premium compensation under this
7 subsection shall be determined as an appropriate per-
8 centage (not in excess of 15 per centum) of such part of
9 the rate of basic compensation for any such position as
10 does not exceed the maximum scheduled rate of basic
11 compensation provided for grade GS–9 in the Classifica-
12 tion Act of 1949, as amended, by taking into considera-
13 tion the frequency and duration of night, holiday, and
14 unscheduled overtime duty required in such position."

15 LIMITATION ON PREMIUM COMPENSATION

16 (h) Section 603 and the heading immediately preceding
17 such section are amended to read as follows:

18 "LIMITATION ON PREMIUM COMPENSATION

19 "SEC. 603. No premium compensation provided by this
20 Act shall be paid to any officer or employee whose rate of
21 basic compensation exceeds the maximum scheduled rate of
22 basic compensation provided for grade GS–15 in the Classi-
23 fication Act of 1949, as amended, or when any such premium
24 compensation would cause such officer's or employee's rate
25 of compensation, including basic compensation and premium

1 compensation provided by this Act, to exceed such maximum
2 rate with respect to any pay period."

3 WORK SCHEDULES

4 (i) (1) The heading immediately preceding section
5 604 is amended to read as follows:

6 "ESTABLISHMENT OF BASIC WORKWEEK; WORK SCHED-
7 ULES; PAY COMPUTATION METHODS"

8 (2) Section 604 (a) is amended by inserting "(1)"
9 after "(a)" and by adding at the end thereof a new para-
10 graph as follows:

11 "(2) The head of each such department, establish-
12 ment, and agency and the municipal government of the
13 District of Columbia shall provide with respect to all officers
14 and employees in his respective organization, except where
15 he determines that such organization would be seriously
16 handicapped in carrying out its functions or that costs would
17 be substantially increased, that (A) assignments to tours
18 of duty shall be scheduled in advance over periods of not
19 less than one week, (B) the basic workweek shall be forty
20 hours, (C) such forty hours shall be scheduled on five days,
21 which shall be Monday through Friday wherever possible,
22 and the two days outside the basic workweek shall be con-
23 secutive, (D) the working hours in each day in the basic
24 workweek shall be the same, (E) the basic nonovertime
25 workday shall not exceed eight hours, (F) the occurrence

1 of holidays shall not affect the designation of the basic work-
2 week, and (G) breaks in working hours of more than one
3 hour shall not be scheduled in any basic workday."
4 (j) This title shall become effective at the beginning of
5 the first pay period beginning after July 1, 1954.

6 TITLE III—GOVERNMENT EMPLOYEES'
7 INCENTIVE AWARDS

8 SEC. 301. This title may be cited as the "Government
9 Employees' Incentive Awards Act".
10 SEC. 302. The departmental awards program set forth
11 in this title shall be carried out under such regulations and
12 instructions as may be issued by the United States Civil
13 Service Commission which shall annually report the results
14 of the program, with related recommendations, to the Presi-
15 dent for transmittal to the Congress.
16 SEC. 303. As used in this title, the term "department"
17 means an executive department or independent agency in the
18 executive branch of the Government, including a Govern-
19 ment-owned or controlled corporation, and also includes (a)
20 the Administrative Office of the United States Courts, (b)
21 the Library of Congress, (c) the Botanic Garden, (d) the
22 Government Printing Office, (e) the Office of the Architect
23 of the Capitol, and (f) the municipal government of the
24 District of Columbia.
25 SEC. 304 (a) The head of each department is authorized

1 to pay cash awards to, and to incur necessary expenses for
2 the honorary recognition of, civilian officers and employees
3 of the Government who by their suggestions, inventions,
4 superior accomplishments, or other personal efforts contribute
5 to the efficiency, economy, or other improvement of Govern-
6 ment operations or who perform special acts or services in
7 the public interest in connection with or related to their
8 official employment.

9 (b) In instances determined by the President to war-
10 rant such action, he is authorized to pay cash awards to, and
11 to incur necessary expenses for the honorary recognition of,
12 civilian officers and employees of the Government who by
13 their suggestions, inventions, superior accomplishments, or
14 other personal efforts contribute to the efficiency, economy,
15 or other improvement of Government operations, or who
16 perform exceptionally meritorious special acts or services in
17 the public interest in connection with or related to their
18 official employment, and any such Presidential awards may
19 be in addition to the departmental awards authorized in
20 subsection (a) of this section.

21 (c) Awards under this section may be paid notwith-
22 standing the death or separation from the service of the offi-
23 cer or employee concerned.

24 (d) A cash award under this section shall be in addition
25 to the regular compensation of the recipient and the accept-

1 ance of such cash award shall constitute an agreement that
2 the use by the United States of any idea, method or device
3 for which the award is made shall not form the basis of a
4 further claim of any nature upon the United States by the
5 employee, his heirs, or assigns.

6 (e) Awards to employees and expenses for the honorary
7 recognition of employees may be paid from the funds or
8 appropriations available to the activity primarily benefiting
9 or may be paid from the several funds or appropriations of
10 the various activities benefiting as may be determined by
11 the President for awards under subsection (b) of this sec-
12 tion, and by the heads of the department concerned for
13 awards under subsection (a) of this section.

14 (f) An award under this title shall be given due weight
15 in qualifying and selecting employees for promotion to posi-
16 tions in higher grades.

17 SEC. 305. The following laws and parts of laws are
18 hereby repealed:

19 (a) Sections 702, 1002, and 1003 of the Classification
20 Act of 1949 (63 Stat. 954; 5 U. S. C. 1122, 1152, 1153).

21 (b) Section 14 of the Act entitled "An Act to author-
22 ize certain administrative expenses in the Government
23 service, and for other purposes", approved August 2, 1946
24 (60 Stat. 809; 5 U. S. C. 116a).

25 (c) The Act entitled "An Act authorizing payments of

1 rewards to postal employees for inventions", approved
2 December 3, 1945 (59 Stat. 591; 39 U. S. C. 813).
3 (d) The Act entitled "An Act authorizing the Secre-
4 tary of War to pay a cash award for suggestions submitted
5 by employees of certain establishments of the Ordnance
6 Department for improvement or economy in manufacturing
7 process or plant", approved July 17, 1912 (37 Stat. 193;
8 50 U. S. C. 58).
9 (e) The Act entitled "An Act to provide equitable
10 compensation for useful suggestions or inventions by per-
11 sonnel of the Department of the Interior", approved June
12 26, 1944 (58 Stat. 360; 5 U. S. C. 500).
13 (f) Subsections (a) and (b) of section 35 of the Act
14 entitled "An Act to enact certain provisions now included
15 in the Naval Appropriation Act, 1946, and for other pur-
16 poses", approved August 2, 1946 (60 Stat. 857; 5 U. S. C.
17 416).
18 (g) The joint resolution of March 13, 1944 (ch. 91,
19 58 Stat. 115) (46 U. S. C. 1111b).
20 SEC. 306. This title shall take effect on the ninetieth day
21 after the date of its enactment.
22 TITLE IV—UNIFORM ALLOWANCES
23 SEC. 401. This title may be cited as the "Federal Em-
24 ployees Uniform Allowance Act".
25 SEC. 402. Any civilian officer or employee of the United

1 States who is required by regulation now existing or by law
2 to wear a prescribed uniform in the performance of his or
3 her official duties, and who is not being furnished with such
4 uniform, shall be paid an allowance for defraying the ex-
5 penses of acquisition and upkeep of such uniform at such
6 times and in such amounts, not to exceed $100 per annum,
7 as may be prescribed by the head of the employing agency
8 in accordance with rules and regulations promulgated pur-
9 suant to section 404. Any amounts allowed for such
10 purposes to any officer or employee under the provisions of
11 any other law or regulation shall be deducted from any
12 allowance paid such officer or employee under the provisions
13 of this title.

14 SEC. 403. Allowances paid under this title shall not be
15 considered as pay, salary, or compensation within the mean-
16 ing of the Civil Service Retirement Act of May 29, 1930,
17 as amended, or as wages within the meaning of section 209
18 of the Social Security Act, as amended, or subchapter A
19 or D of chapter 9 of the Internal Revenue Code, as amended.

20 SEC. 404. The Director of the Bureau of the Budget is
21 authorized and directed to promulgate such rules and regu-
22 lations as may be necessary to provide for the uniform
23 administration of this title.

1 TITLE V—MISCELLANEOUS PROVISIONS

2 SEC. 501. Section 1310 of the Supplemental Appro-
3 priation Act, 1952 (Public Law 253, Eighty-second
4 Congress), as amended, is hereby repealed.

83D CONGRESS
2D SESSION

S. 2665

A BILL

To amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

By Mr. CARLSON

JANUARY 11 (legislative day, JANUARY 7), 1954
Read twice and referred to the Committee on Post Office and Civil Service

interstate or foreign commerce to avoid compliance with support orders.

SEC. 3. Part IV of title 28 of the United States Code is hereby amended by inserting at the end thereof the following new chapter:

"CHAPTER 173—ENFORCEMENT OF STATE COURT SUPPORT ORDERS

"Sec.
"2711. Definitions.
"2712. Registration of support orders.
"2713. Enforcement.
"2714. Notice to original court.

"§ 2711. Definitions

"As used in this chapter—

"The term 'support order' means an order of a State court having jurisdiction over an individual, directing such individual to make payments periodically to (or for the support of) his spouse, former spouse, or child (whether the issue of his body, legitimate or illegitimate, or adopted).

"The term 'obligor,' with respect to a support order, means an individual who is directed to make payments under the order.

"The term 'obligee' means any person to whom the proceeds of a support order is payable for himself, or the use or benefit of another, or such beneficiary or his guardian or guardian ad litem.

"The term 'original court,' with respect to a support order, means the court in which it was made.

"The term 'State' includes the Territories and the District of Columbia.

"The term 'registered,' with respect to a support order, means registered under section 2712.

"§ 2712. Registration

"Any obligee of a support order may register the order in any district court of the United States for a district, and in any court of a State having jurisdiction of like matters, in which an obligor of the order resides, or is found, and which is outside the State in which the support order was made. Registration shall be accomplished by filing with the clerk of such court a certified copy of the support order and of each order of the original court modifying the support order.

"§ 2713. Enforcement

"(a) Any court in which a support order is registered shall entertain contempt proceedings, in the same manner as if the order were an order of such court, against an obligor who fails to comply with the order within 30 days after being served notice that it has been registered.

"(b) No proceedings to enforce a support order shall be begun in any court under this section unless a copy of each order of the original court modifying the support order is registered under section 2712.

"(c) The cost of enforcement proceedings under this section shall be taxed against the party against whom the issues are resolved. The obligor shall be required to pay a reasonable attorney fee to the obligee if the court finds the proceedings were necessary to compel the obligor to comply with the support order.

"§ 2714. Notice to original court

"When, in any court, any support order is registered or any proceedings are taken under section 2713 to enforce a support order, written notice of such action under the seal of such court shall be sent to the original court."

SEC. 4. Section 1332 of title 28 of the United States Code is hereby amended by striking out subsection (b) and inserting in lieu thereof the following:

"(b) Each district court located in a State shall have original jurisdiction, concurrent with State courts, of civil actions brought by a citizen of another State to order a citizen of the State in which the court is located to make payments periodically to (or for the support of) his spouse, or child (whether the issue of his body, legitimate or illegitimate, or adopted) if under the law of such State a State court is authorized to make such an order, as an incident to a divorce proceeding or otherwise. Nothing in this subsection shall authorize any district court to make a decree of divorce or separation, or to order an individual to make any payments to (or for the support of) a spouse who has without legal justification quit the home of such individual.

"(c) The words 'State' and 'States,' as used in this section, include the Territories and the District of Columbia."

SEC. 5. The jurisdiction of the courts upon which jurisdiction is conferred by sections 3 and 4 of this act shall not be affected by the amount of controversy, and such court shall have the power to enforce its orders by proceedings against either the person or property of the obligor, or both.

SEC. 6. The table of contents of part I of title 18 of the United States Code is hereby amended by inserting after

"1. General provisions ..... 1"

the following:

"2. Abandonment or desertion of minor children ..... 21"

SEC. 7. Part I of title 18 of the United States Code is hereby amended by inserting at the end of chapter 1 the following new chapter:

"CHAPTER 2—ABANDONMENT OF DEPENDENTS

"Sec.
"21. Definitions.
"22. Abandonment and desertion.
"23. Prima facie evidence.
"24. Testimony of wife.

"§ 21. Definitions.

"As used in this chapter—

"The term 'support order' means an order of a State court having jurisdiction over an individual, directing such individual to make payments periodically to (or for the support of) his spouse, former spouse, or child (whether the issue of his body, legitimate or illegitimate, or adopted).

"The term 'State' includes the Territories and the District of Columbia.

"§ 22. Abandonment and desertion.

"Any individual who, to avoid compliance with a support order, shall travel or move in interstate or foreign commerce, from the State in which such support order was issued or from any State in which proceedings have been instituted under chapter 173 of title 28 of the United States Code, shall be punished by a fine of not more than $2,500, or by imprisonment for not more than 3 years, or by both such fine and imprisonment.

"§ 23. Prima facie evidence.

"For the purposes of this chapter, failure of any individual to comply with the terms of a support order, after travel or movement in interstate or foreign commerce shall constitute prima facie evidence that such individual so traveled or moved with intent to avoid compliance with such support order, if personal service (including service by registered United States mail) of a certified copy of such support order has been had on such individual.

"§ 24. Testimony of wife.

"In all criminal proceedings under this chapter a wife may testify against her husband without his consent."

SEC. 8. Section 3237 of title 18 of the United States Code is hereby amended by inserting at the end thereof the following new paragraph:

"Any offense under the provisions of chapter 2 of this title, is a continuing offense and may be inquired of and prosecuted, in any district from, through, or into which, such offender so travels or moves, or in the district where the offender is found."

Mr. HENDRICKSON. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield.

Mr. HENDRICKSON. As chairman of the Subcommittee on Juvenile Delinquency of the Committee on the Judiciary, I should like to say that the subcommittee has under consideration right at this time the problem to which the Senator from North Dakota has been referring.

Mr. LANGER. The distinguished Senator from New Jersey no doubt noted that I read his name as one of the cosponsors of the bill I have introduced.

Mr. HENDRICKSON. The members of my subcommittee are mindful of the facts which the Senator from North Dakota and his subcommittee developed in Denver.

MEMBERSHIP OF EX-PRESIDENTS ON NATIONAL SECURITY COUNCIL

Mr. MAGNUSON. Mr. President, it has often seemed to me that after our public officials have either been defeated in election or have voluntarily retired from office, we in the United States have not taken full advantage of a great deal of the experience they have had, particularly in matters nonpartisan in nature. It seems to me we could well avail ourselves of the great experience of some of those who have served in public office, particularly in such fields.

Therefore, I introduce for appropriate reference, a bill to provide that ex-Presidents of the United States shall be members of the National Security Council. It seems to me that we as a nation could profit a great deal by their experience and advice, particularly in such matters as affect all the people of the United States and are not partisan in character.

The bill (S. 2663) to provide that ex-Presidents of the United States shall be members of the National Security Council, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Armed Services.

AMENDMENT OF CLASSIFICATION ACT OF 1949 AND FEDERAL EMPLOYEES PAY ACT OF 1945

Mr. CARLSON. Mr. President, I introduce for appropriate reference a bill amending the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

In my judgment the time is overdue when these acts should be amended in order that the so-called fringe benefits of Federal employees may be made more equitable and the pay structure more nearly consistent with practices in private industry. If this is done, I feel certain it will mean a more economical program for the taxpayer and at the same time improve working conditions and the morale of the employees.

Therefore, this bill will provide for a strong incentive award program, revise

the supergrades in the Classification Act of 1949, and Federal Employees Pay Act of 1945. The whole structure of the bill, in my judgment, will help to bring about a more coordinated and an improved civil-service program.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2665) to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes, introduced by Mr. CARLSON, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON TREATIES AND EXECUTIVE AGREEMENTS

Mr. LANGER submitted the following concurrent resolution (S. Con. Res. 54), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on the Judiciary 2,000 additional copies of the hearings relative to treaties and executive agreements held before a subcommittee of the above committee during the 83d Congress, 1st session.

SUSPENSION OF OPERATIONS OF NEW POWER POLICY AND MARKETING CRITERIA WITH REFERENCE TO MISSOURI RIVER BASIN

Mr. LANGER (for himself and Mr. HUNT) submitted the following resolution (S. Res. 176), which was referred to the Committee on Interior and Insular Affairs:

Whereas on September 14, 1953, the Department of the Interior announced a new power policy and marketing criteria for the eastern and western divisions of the Missouri River Basin which became effective prior to the reconvening of Congress; and

Whereas the Subcommittee on Antitrust and Monopoly Legislation of the Committee on the Judiciary has commenced hearings on the new power policy and marketing criteria to determine its possible effects on competition within the electrical industry which hearings have not been completed: Be it

Resolved, That it is the sense of the United States Senate that the Secretary of the Interior suspend further operation of the new power policy and marketing criteria for the Missouri Valley Basin for a period of 90 days following the adoption of this resolution in order to give the Subcommittee on Antitrust and Monopoly Legislation an opportunity to complete its investigation and study.

PRINTING OF ADDITIONAL COPIES OF HEARINGS RELATIVE TO ST. LAWRENCE SEAWAY

Mr. WILEY submitted the following resolution (S. Res. 177), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Committee on Foreign Relations 500 additional copies of the hearings relative to the St. Lawrence seaway held during the 83d Congress, 1st session, by the said committee.

APPOINTMENT OF COMMITTEE BY UNITED NATIONS TO INVESTIGATE COMMUNIST ATROCITIES IN KOREA

Mr. POTTER. Mr. President, I submit for appropriate reference a resolution expressing the grave concern of the Senate over the commission of Communist war atrocities against American and other United Nations personnel in Korea, and requesting that the United States delegation to the United Nations ask for the establishment of an impartial investigating commission, consisting of representative member nations, to inquire into and report the facts of all war crimes committed by the North Korean and Chinese Communist forces in or near Korea since June 24, 1950, and the means of subjecting the criminals responsible to just and lawful punishment.

Most of my colleagues, I am sure, have read or heard of the culculated acts or omissions to act on the part of the Red Chinese and North Korean Communist Armies against American and Allied prisoners of war. I can say to you, Mr. President, that some of these acts were so inhuman, so cruel, and so animal-like that common decency prevents me from reporting them in complete detail. However, I suggest that each of my colleagues read the testimony presented before our subcommittee last month by GI's, field commanders in Korea, and officials of the War Crimes Division, to learn first-hand of the true nature of this vicious Communist enemy.

As a proud Nation of God-loving civilized people, as a member Nation of the United Nations, and as a Nation dedicated to every principle of justice and respecting every inherent right of man, we cannot and must not allow these crimes to remain unpunished.

To do this would not only be an ineffaceable blot of disgrace on our national honor, but it would also be a sin against every mother, wife, sweetheart, and relative who has given a man in defense of our great Nation.

To do this would not only demonstrate a weakness in the eyes of all free nations, but would also give the Communists carte-blanche permission to continue the commission of these ruthless barbarisms in the future.

No, we cannot afford to sweep these horrible facts under the rug as though they did not happen. On the contrary, it is our duty—indeed, our responsibility, as a free Nation, and particularly as a member of the United Nations, to make certain that those responsible for these war crimes are sought out and that appropriate punishment is administered to them.

On October 28, 1950, General MacArthur, then Commander in Chief of the United Nations Command in Korea, set up a military commission to try accused war criminals. Therefore, in view of the number of provable cases of Communist war atrocities documented in the files, and since it has been established that these crimes were deliberately perpetrated by the Communist aggressor, it now becomes necessary to prosecute these war criminals as was done with the Nazi and Japanese war criminals following World War II.

Accordingly, I am submitting the resolution expressing our deep concern over these barbaric Communist atrocities, and urging our delegation to the United Nations to ask for the establishment of an impartial investigating commission to inquire into and to report upon these atrocities and devise a means of prosecuting those found responsible.

We suffered more than 14,000 casualties in Korea; let us never for a moment forget this sad but true fact. If this Nation is to stand for real justice, we must stand for its every principle. Therefore, I hope this distinguished body will unanimously endorse the resolution at the earliest possible time.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 178), submitted by Mr. POTTER, was referred to the Committee on Foreign Relations, as follows:

Whereas the Communists in Korea have committed revolting atrocities against members of the armed services of the United States and members of other United Nations forces; and

Whereas the American people are gravely concerned that the commission of these atrocities should not go unpunished; and

Whereas it is the sense and desire of the Senate that speedy prosecution and conviction of the offenders under applicable law would not only mete out justice against the guilty, but would also be a warning to deter the commission of such offenses in the future: Now, therefore, be it

Resolved, That it is the sense of the Senate and its strong desire that the United States delegation to the United Nations urge the United Nations to establish an impartial investigating committee composed of representative member nations or representative members of the International Red Cross to inquire into and report upon atrocities committed in or near Korea since June 24, 1950, and the means of subjecting the criminals responsible to just and lawful punishment.

Mr. SCHOEPPEL. Mr. President, I am sure that Senators who were present in the Chamber and heard the statement made by the distinguished Senator from Michigan [Mr. POTTER] were impressed with the importance of bringing to the attention of the American people the atrocities which heretofore have not been fully disclosed.

In the Saturday Evening Post of November 1953 there appeared an editorial entitled "Red Murder of 6,000 GI's Finally Angers Us."

In the days ahead it might be well for those in responsible position who are negotiating and hoping to make deals with the Reds, to read and reread this editorial, because it strikes a responsive chord in millions of American hearts and minds.

I ask unanimous consent that this editorial be placed in the body of the CONGRESSIONAL RECORD, lest we forget.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RED MURDER OF 6,000 GI'S FINALLY ANGERS US

The United States has finally decided to get mad about the torture and murder of

83D CONGRESS
2D SESSION

H. R. 7338

IN THE HOUSE OF REPRESENTATIVES

JANUARY 18, 1954

Mr. WITHROW introduced the following bill; which was referred to the Committee on Post Office and Civil Service

A BILL

To amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO THE CLASSIFICATION ACT OF 1949, AS AMENDED

SEC. 101. This title may be cited as the "Classification Act Amendments of 1954".

SEC. 102. The Classification Act of 1949, as amended, is further amended as follows:

(a) Paragraph (7) of section 202 is amended to read as follows:

1 "(7) employees in recognized trades or crafts, or
2 other skilled mechanical crafts, or in unskilled, semi-
3 skilled, or skilled manual-labor occupations, and other
4 employees including foremen and supervisors in posi-
5 tions having trade, craft, or laboring experience and
6 knowledge as the paramount requirement, and employ-
7 ees in the Bureau of Engraving and Printing the duties
8 of whom are to perform or to direct manual or machine
9 operations requiring special skill or experience, or to
10 perform or direct the counting, examining, sorting, or
11 other verification of the product of manual or machine
12 operations: *Provided,* That the compensation of such
13 employees shall be fixed and adjusted from time to time
14 as nearly as is consistent with the public interest in ac-
15 cordance with prevailing rates: *Provided further,* That
16 in any area where in the opinion of the employing
17 agency the number of such employees is so few as to
18 make prevailing rate determinations impracticable, such
19 employee or employees may with the approval of the
20 Civil Service Commission be paid administratively at
21 rates payable under the Classification Act of 1949, as
22 amended, for positions of equivalent difficulty or respon-
23 sibility;".
24 (b) Section 505 is amended to read as follows:

1 "SEC. 505. (a) No position shall be placed in grade 16
2 or 17 of the General Schedule except by action of, or after
3 prior approval by, the Commission.
4 "(b) No position shall be placed in or removed from
5 grade 18 of the General Schedule except by the President
6 upon recommendation of the Commission.
7 "(c) There shall not be more than seven hundred posi-
8 tions in grades 16, 17, and 18 of the General Schedule at
9 any one time."
10 (c) Section 601 is amended to read as follows:
11 "SEC. 601. There is hereby established for positions to
12 which this Act applies a basic compensation schedule to be
13 known as the 'General Schedule', the symbol for which shall
14 be 'GS'."
15 (d) Section 602 is amended as follows:
16 (1) Strike out the "(a)" after "SEC. 602."
17 (2) Subsection (b) of said section is hereby repealed.
18 (e) Section 603 is amended as follows:
19 (1) Subsection (a) of said section is amended to read
20 as follows:
21 "(a) The rates of basic compensation with respect to
22 officers, employees, and positions to which this Act applies
23 shall be in accordance with the compensation schedule con-
24 tained in subsection (b)."

1 (2) Subsection (c) of said section is hereby repealed.
2 (3) Subsection (d) of said section is relettered and
3 amended to read as follows:
4 "(c) Whenever payment is made on the basis of a
5 daily, hourly, weekly, biweekly, or monthly rate, such rate
6 shall be computed from the appropriate annual rate specified
7 in subsection (b) by the method prescribed in section 604
8 (d) of the Federal Employees Pay Act of 1945, as
9 amended."
10 (f) Section 604 is amended to read as follows:
11 "SEC. 604. Employees receiving basic compensation at
12 a rate authorized by law, immediately prior to the effective
13 date of this title, in excess of the appropriate new rate of
14 the grade as determined under paragraphs (1) to (10),
15 inclusive, of section 604 (b) of this Act, as in effect prior to
16 the date of enactment of the Classification Act Amendments
17 of 1954, may continue to receive such rate so long as they
18 remain in the same position and grade, but when any such
19 position becomes vacant, the rate of basic compensation of
20 any subsequent appointee shall be fixed in accordance with
21 this Act."
22 (g) Section 703 is amended as follows:

(1) Subsection (b) (1) is amended to read as follows:

"(b) (1) No officer or employee shall be entitled to a longevity step increase while holding a position in any grade above grade 15 of the General Schedule."

(2) Subsection (c) is amended by striking out "section 604 (b) (11), section 1105 (b)" and inserting in lieu thereof "section 604 or section 1105 (b) of this Act, or section 103 (b) (4) of the Classification Act Amendments of 1954".

(h) Section 704 of such Act is amended by adding at the end thereof a new sentence as follows: "Service immediately preceding the date of enactment of the Classification Act Amendments of 1954 shall be counted toward longevity step increases under section 703 in the case of persons in grades 11 to 15, inclusive, who on such date are receiving compensation at the maximum scheduled rates for their respective grades."

(i) Section 802 (b) is amended by striking out "section 604 (b) (11), section 1105 (b)" and inserting in lieu thereof "section 604 or section 1105 (b) of this Act or section 103 (b) (4) of the Classification Act Amendments of 1954".

1 (j) Section 803 is amended to read as follows:

2 "SEC. 803. (a) Whenever the Commission shall find
3 (1) that a sufficient number of qualified eligibles for posi-
4 tions in a given class cannot be secured in one or more areas
5 or locations at the existing minimum rate for such class, and
6 (2) that there is a possibility that a sufficient number of
7 such eligibles can be secured by increasing the minimum rate
8 for such class in such areas or locations to one of the higher
9 rates within the grade in which such class is placed, the
10 Commission may establish such higher rate as the minimum
11 rate for that class in each area or location concerned.

12 "(b) Minimum rates established under subsection (a)
13 may be revised from time to time by the Commission. Such
14 actions or revisions shall have the force and effect of law.

15 "(c) Any increase in rate of basic compensation result-
16 ing from the establishment of new minimum rates under this
17 section shall not be regarded as an 'equivalent increase' in
18 compensation within the meaning of title VII."

19 SEC. 103. (a) Not later than the first day of the first
20 pay period which begins six months after the enactment of
21 this Act, all positions in the Crafts, Protective, and Custodial
22 Schedule of the Classification Act of 1949, as amended,
23 not excluded from such Act by section 202 (7) thereof,

as amended herein, shall be placed in corresponding grades of the General Schedule as set forth below:

Grade of the Crafts, Protective, and Custodial Schedule	Corresponding new grade of the General Schedule
1	1
2	1
3	1
4	2
5	3
6	4
7	5
8	6
9	7
10	8

3 (b) The rates of basic compensation of officers and
4 employees to whom this section applies shall be initially
5 adjusted as follows:

6 (1) If the employee is receiving a rate of basic com-
7 pensation less than the minimum scheduled rate of the grade
8 in which his position is placed, his compensation shall be
9 increased to the minimum rate;

10 (2) If the employee is receiving a rate of basic compen-
11 sation within the range of salary prescribed for the grade in
12 which his position is placed, at one of the rates fixed therein,
13 no change shall be made in his existing rate;

14 (3) If the employee is receiving a rate of basic compen-
15 sation within the range of salary prescribed for the grade in
16 which his position is placed, but not at one of the rates fixed

1 therein, his compensation shall be increased to the next
2 higher rate;
3 (4) If the employee is receiving a rate of basic compen-
4 sation in excess of the maximum scheduled rate for the grade
5 in which his position is initially placed, he shall continue to
6 receive basic compensation without change in rate until (a)
7 he leaves such position, or (b) he is entitled to receive basic
8 compensation at a higher rate by reason of the operation
9 of other provisions of the Classification Act of 1949, as
10 amended; but when any such position becomes vacant, the
11 rate of basic compensation of any subsequent appointee shall
12 be fixed in accordance with the provisions of the Classifica-
13 tion Act of 1949, as amended; and
14 (5) The conversion to grades of the general schedule of
15 positions covered by this section, and the initial adjustments
16 in compensation as prescribed herein, shall not be construed
17 to be transfers or promotions within the meaning of section
18 802 (b) of the Classification Act of 1949, as amended, and
19 the regulations issued thereunder.
20 SEC. 104. (a) With respect to any employee and posi-
21 tion, which, immediately prior to the date of enactment of
22 this Act, is subject to the Classification Act of 1949, as
23 amended, but to which section 102 (a) of this title applies,
24 this title shall take effect on the date or dates specified by the

1 head of the respective department, but not later than the
2 first day of the first pay period which begins after twelve
3 months following the date of enactment of this Act.

4 (b) Employees to whom sections 102 (a) and 103 of
5 this title apply shall continue to receive compensation at
6 rates prescribed for the grades of their respective positions
7 by the Classification Act of 1949, as amended, in effect on
8 the date of enactment of this Act, until their compensation
9 shall have been fixed in accordance with the provisions of
10 this title.

11 SEC. 105. The Commission is hereby authorized to issue
12 such regulations as may be necessary for the administration
13 of this title.

14 SEC. 106. Nothing contained in this title shall be con-
15 strued to decrease the existing compensation of any present
16 employee, but when his position becomes vacant, any sub-
17 sequent appointee to such position shall be compensated in
18 accordance with the regular schedule applicable to such
19 position.

20 TITLE II—PREMIUM COMPENSATION

21 SEC. 201. This title may be cited as the "Premium Com-
22 pensation Act of 1954".

1 SEC. 202. The Federal Employees Pay Act of 1945, as
2 amended, is further amended as follows:
3 (a) Section 101 is amended as follows:
4 (1) Subsection (a) is amended by striking out "titles
5 II and III" and inserting in lieu thereof "titles II, III, and
6 IV".
7 (2) Subsection (b) is repealed.
8 COMPENSATION FOR OVERTIME WORK
9 (b) Section 201 is amended to read as follows:
10 "SEC. 201. All hours of work officially ordered or
11 approved in excess of forty hours in any administrative
12 workweek performed by officers or employees to whom
13 this title applies shall be considered to be overtime work
14 and compensation for such overtime work, except as other-
15 wise provided for in this Act, shall be at the following
16 rates:
17 "(a) For officers and employees whose basic com-
18 pensation is at a rate which does not exceed the maximum
19 scheduled rate of basic compensation provided for grade
20 GS-9 in the Classification Act of 1949, as amended, the
21 overtime hourly rate of compensation shall be an amount
22 equal to one and one-half times the hourly rate of such
23 officer's or employee's basic compensation, and all of such
24 amount shall be considered premium compensation.

1 "(b) For officers and employees whose basic com-
2 pensation is at a rate which exceeds the maximum scheduled
3 rate of basic compensation provided for grade GS–9 in the
4 Classification Act of 1949, as amended, the overtime hourly
5 rate of compensation shall be an amount equal to one and
6 one-half times the hourly rate of such maximum rate, and
7 all of such amount shall be considered premium compen-
8 sation."

9 (c) Section 202 (a) is amended to read as follows:

10 "SEC. 202. (a) The head of any department, inde-
11 pendent establishment, or agency, including Government-
12 owned or controlled corporations, or the municipal govern-
13 ment of the District of Columbia (1) may, at the request
14 of any officer or employee, grant such officer or employee
15 compensatory time off from his scheduled tour of duty in
16 lieu of payment for an equal amount of time spent in
17 irregular or occasional overtime work, and (2) may, at
18 his own discretion, provide that any officer or employee,
19 whose rate of basic compensation is in excess of the maximum
20 scheduled rate of basic compensation provided for grade
21 GS–9 in the Classification Act of 1949, as amended, shall
22 be compensated for irregular or occasional overtime work
23 for which compensation would be due under this Act with
24 not more than an equal amount of compensatory time off
25 from his scheduled tour of duty in lieu of such compensation."

1 (d) (1) Section 203 is redesignated as section 205,
2 and wherever such section number appears in such Act or
3 in any other provision of law it is amended to conform to the
4 redesignation prescribed by this subsection.

5 (2) After section 202, insert the following new sections:

6 "CALL-BACK OVERTIME

7 "SEC. 203. For the purposes of this Act, any unsched-
8 uled overtime work performed by any officer or employee
9 on a day when no work was scheduled for him, or for which
10 he is required to return to his place of employment, shall
11 be considered to be at least two hours in duration.

12 "TIME IN TRAVEL STATUS

13 "SEC. 204. For the purpose of this Act, time spent in a
14 travel status away from the official-duty station of any officer
15 or employee shall be considered as hours of employment only
16 when (a) within the days and hours of such officer's or em-
17 ployee's regularly scheduled administrative workweek, in-
18 cluding regularly scheduled overtime hours, or (b) when the
19 travel involves the performance of work while traveling or
20 is carried out under arduous conditions."

21 COMPENSATION FOR NIGHT AND HOLIDAY WORK

22 (e) Section 301 is amended to read as follows:

23 "SEC. 301. (a) Any regularly scheduled work between
24 the hours of six o'clock postmeridian and six o'clock ante-
25 meridian (including periods of absence with pay during

1 such hours due to holidays, and any such hours within
2 periods of leave with pay if such periods total less than
3 eight hours during any pay period) shall be considered night
4 work, except as provided in subsection (b), and any officer
5 or employee performing such work to whom this title applies
6 shall be compensated for it at his rate of basic compensation
7 plus premium compensation amounting to 10 per centum of
8 such rate, unless otherwise provided in this Act, and except
9 that this section shall not operate to modify the provisions
10 of the Act of July 1, 1944 (Public Law Numbered 394,
11 Seventy-eighth Congress), or any other law authorizing
12 additional compensation for nightwork.

13 "(b) The head of any department, independent estab-
14 lishment, or agency, including Government-owned or con-
15 trolled corporations, may designate any time after six
16 o'clock postmeridian and any time before six o'clock ante-
17 meridian as the beginning and end, respectively, of night-
18 work for the purpose of subsection (a) at any post outside
19 the several States and the District of Columbia where cus-
20 tomary hours of business extend into the hours of nightwork
21 provided by such subsection."

22 (f) Section 302 of the Federal Employees Pay Act of
23 1945, as amended, is amended to read as follows:

24 "SEC. 302. (a) All work not exceeding eight hours
25 which is not overtime work as defined in section 201 of

1 this Act and which is performed on a holiday designated
2 by Federal statute or Executive order, shall be compen-
3 sated at the rate of basic compensation of the officer or
4 employee performing such work on a holiday plus pre-
5 mium compensation amounting to one and one-half times
6 such part of such officer's or employee's basic compensa-
7 tion as does not exceed the maximum scheduled rate of
8 basic compensation provided for grade GS–9 in the Clas-
9 sification Act of 1949, as amended, unless otherwise pro-
10 vided in this Act. Any officer or employee who is required
11 to perform any work on such a holiday shall be compensated
12 for at least two hours of such work, and any such premium
13 compensation due under the provisions of this section shall
14 be in addition to any premium compensation which may be
15 due for the same work under the provisions of section 301
16 of this Act providing premium compensation for nightwork.
17 "(b) Overtime work, as defined in section 201 of this
18 Act, on Sundays and such holidays shall be compensated in
19 accordance with the provisions of such section 201."
20 SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK
21 (g) After title III insert a new title as follows:
22 "TITLE IV—SPECIAL PROVISIONS FOR CERTAIN
23 TYPES OF WORK
24 "SEC. 401. The head of any department, independent
25 establishment, or agency, including Government-owned or

1 controlled corporations, or the municipal government of the
2 District of Columbia may, with the approval of the Civil
3 Service Commission, provide that—

4 "(a) any officer or employee in a position requir-
5 ing him to regularly remain at, or within the confines
6 of, his station during longer than ordinary periods of
7 duty, a substantial part of which consists of remaining
8 in a standby status rather than performing work, shall
9 receive premium compensation for such duty on an
10 annual basis in lieu of premium compensation provided
11 by any other provisions of this Act. Premium compen-
12 sation under this subsection shall be determined as an
13 appropriate percentage (not in excess of 25 per centum)
14 of such part of the basic compensation for any such posi-
15 tion as does not exceed the maximum scheduled rate of
16 basic compensation provided for grade GS–9 in the
17 Classification Act of 1949, as amended, by taking into
18 consideration the number of hours of actual work re-
19 quired in such positions, the number of hours required
20 in a standby status at or within the confines of the sta-
21 tion, the extent to which the duties of such position are
22 made more onerous by night or holiday work, or by
23 being extended over periods of more than forty hours a
24 week, and any other relative factors; or

25 "(b) any officer or employee in a position in which

1 the hours of duty cannot be controlled administratively,
2 and which requires substantial amounts of irregular,
3 unscheduled, overtime duty and duty at night and on
4 holidays with the officer or employee generally being
5 responsible for recognizing, without supervision, circum-
6 stances which require him to remain on duty, shall
7 receive premium compensation for such day on an annual
8 basis in lieu of premium compensation provided by any
9 other provisions of this Act, except for regularly sched-
10 uled overtime duty. Premium compensation under this
11 subsection shall be determined as an appropriate per-
12 centage (not in excess of 15 per centum) of such part of
13 the rate of basic compensation for any such position as
14 does not exceed the maximum scheduled rate of basic
15 compensation provided for grade GS–9 in the Classifica-
16 tion Act of 1949, as amended, by taking into considera-
17 tion the frequency and duration of night, holiday, and
18 unscheduled overtime duty required in such position."

19 LIMITATION ON PREMIUM COMPENSATION

20 (h) Section 603 and the heading immediately preceding
21 such section are amended to read as follows:

22 "LIMITATION ON PREMIUM COMPENSATION

23 "SEC. 603. No premium compensation provided by this
24 Act shall be paid to any officer or employee whose rate of
25 basic compensation exceeds the maximum scheduled rate of

1 basic compensation provided for grade GS–15 in the Classi-
2 fication Act of 1949, as amended, or when any such premium
3 compensation would cause such officer's or employee's rate of
4 compensation, including basic compensation and premium
5 compensation provided by this Act, to exceed such maximum
6 rate with respect to any pay period."

7 WORK SCHEDULES

8 (i) (1) The heading immediately preceding section
9 604 is amended to read as follows:

10 "ESTABLISHMENT OF BASIC WORKWEEK; WORK SCHED-
11 ULES; PAY COMPUTATION METHODS"

12 (2) Section 604 (a) is amended by inserting "(1)"
13 after "(a)" and by adding at the end thereof a new para-
14 graph as follows:

15 "(2) The head of each such department, establish-
16 ment, and agency and the municipal government of the
17 District of Columbia shall provide with respect to all officers
18 and employees in his respective organization, except where
19 he determines that such organization would be seriously
20 handicapped in carrying out its functions or that costs would
21 be substantially increased, that (A) assignments to tours
22 of duty shall be scheduled in advance over periods of not
23 less than one week, (B) the basic workweek shall be forty
24 hours, (C) such forty hours shall be scheduled on five days,
25 which shall be Monday through Friday wherever possible,

1 and the two days outside the basic workweek shall be con-
2 secutive, (D) the working hours in each day in the basic
3 workweek shall be the same, (E) the basic nonovertime
4 workday shall not exceed eight hours, (F) the occurrence
5 of holidays shall not affect the designation of the basic work-
6 week, and (G) breaks in working hours of more than one
7 hour shall not be scheduled in any basic workday."

8 (j) This title shall become effective at the beginning of
9 the first pay period beginning after July 1, 1954.

10 TITLE III—GOVERNMENT EMPLOYEES'
11 INCENTIVE AWARDS

12 SEC. 301. This title may be cited as the "Government
13 Employees' Incentive Awards Act".

14 SEC. 302. The departmental awards program set forth
15 in this title shall be carried out under such regulations and
16 instructions as may be issued by the United States Civil
17 Service Commission which shall annually report the results
18 of the program, with related recommendations, to the Presi-
19 dent for transmittal to the Congress.

20 SEC. 303. As used in this title, the term "department"
21 means an executive department or independent agency in the
22 executive branch of the Government, including a Govern-
23 ment-owned or controlled corporation, and also includes (a)
24 the Administrative Office of the United States Courts, (b)
25 the Library of Congress, (c) the Botanic Garden, (d) the

1 Government Printing Office, (e) the Office of the Architect
2 of the Capitol, and (f) the municipal government of the
3 District of Columbia.

4 SEC. 304. (a) The head of each department is authorized
5 to pay cash awards to, and to incur necessary expenses for
6 the honorary recognition of, civilian officers and employees
7 of the Government who by their suggestions, inventions,
8 superior accomplishments, or other personal efforts contribute
9 to the efficiency, economy, or other improvement of Govern-
10 ment operations, or who perform special acts or services in
11 the public interest in connection with or related to their
12 official employment.

13 (b) In instances determined by the President to war-
14 rant such action, he is authorized to pay cash awards to, and
15 to incur necessary expenses for the honorary recognition of,
16 civilian officers and employees of the Government who by
17 their suggestions, inventions, superior accomplishments, or
18 other personal efforts contribute to the efficiency, economy,
19 or other improvement of Government operations, or who
20 perform exceptionally meritorious special acts or services in
21 the public interest in connection with or related to their
22 official employment, and any such Presidential awards may
23 be in addition to the departmental awards authorized in
24 subsection (a) of this section.

25 (c) Awards under this section may be paid notwith-

1 standing the death or separation from the service of the offi-
2 cer or employee concerned.
3 (d) A cash award under this section shall be in addition
4 to the regular compensation of the recipient and the accept-
5 ance of such cash award shall constitute an agreement that
6 the use by the United States of any idea, method or device
7 for which the award is made shall not form the basis of a
8 further claim of any nature upon the United States by the
9 employee, his heirs, or assigns.
10 (e) Awards to employees and expenses for the honorary
11 recognition of employees may be paid from the funds or
12 appropriations available to the activity primarily benefiting
13 or may be paid from the several funds or appropriations of
14 the various activities benefiting as may be determined by
15 the President for awards under subsection (b) of this sec-
16 tion, and by the heads of the department concerned for
17 awards under subsection (a) of this section.
18 (f) An award under this title shall be given due weight
19 in qualifying and selecting employees for promotion to posi-
20 tions in higher grades.
21 SEC. 305. The following laws and parts of laws are
22 hereby repealed:
23 (a) Sections 702, 1002, and 1003 of the Classification
24 Act of 1949 (63 Stat. 954; 5 U. S. C. 1122, 1152, 1153).
25 (b) Section 14 of the Act entitled "An Act to authorize

1 certain administrative expenses in the Government service,
2 and for other purposes", approved August 2, 1946 (60
3 Stat. 809; 5 U. S. C. 116a).

4 (c) The Act entitled "An Act authorizing payments of
5 rewards to postal employees for inventions", approved
6 December 3, 1945 (59 Stat. 591; 39 U. S. C. 813).

7 (d) The Act entitled "An Act authorizing the Secre-
8 tary of War to pay a cash award for suggestions submitted
9 by employees of certain establishments of the Ordnance
10 Department for improvement or economy in manufacturing
11 process or plant", approved July 17, 1912 (37 Stat. 193;
12 50 U. S. C. 58).

13 (e) The Act entitled "An Act to provide equitable
14 compensation for useful suggestions or inventions by per-
15 sonnel of the Department of the Interior", approved June
16 26, 1944 (58 Stat. 360; 5 U. S. C. 500).

17 (f) Subsections (a) and (b) of section 35 of the Act
18 entitled "An Act to enact certain provisions now included
19 in the Naval Appropriation Act, 1946, and for other pur-
20 poses", approved August 2, 1946 (60 Stat. 857; 5 U. S. C.
21 416).

22 (g) The joint resolution of March 13, 1944 (ch. 91,
23 58 Stat. 115) (46 U. S. C. 1111b).

24 SEC. 306. This title shall take effect on the ninetieth day
25 after the date of its enactment.

1 TITLE IV—UNIFORM ALLOWANCES

2 SEC. 401. This title may be cited as the "Federal Em-
3 ployees Uniform Allowance Act".

4 SEC. 402. Any civilian officer or employee of the United
5 States who is required by regulation now existing or by law
6 to wear a prescribed uniform in the performance of his or
7 her official duties, and who is not being furnished with such
8 uniform shall be paid an allowance for defraying the ex-
9 penses of acquisition and upkeep of such uniform at such
10 times and in such amounts, not to exceed $100 per annum,
11 as may be prescribed by the head of the employing agency
12 in accordance with rules and regulations promulgated pur-
13 suant to section 404. Any amounts allowed for such
14 purposes to any officer or employee under the provisions of
15 any other law or regulation shall be deducted from any
16 allowance paid such officer or employee under the provisions
17 of this title.

18 SEC. 403. Allowances paid under this title shall not be
19 considered as pay, salary, or compensation within the mean-
20 ing of the Civil Service Retirement Act of May 29, 1930,
21 as amended, or as wages within the meaning of section 209
22 of the Social Security Act, as amended, or subchapter A
23 or D of chapter 9 of the Internal Revenue Code, as amended.

24 SEC. 404. The Director of the Bureau of the Budget is

1 authorized and directed to promulgate such rules and regu-
2 lations as may be necessary to provide for the uniform
3 administration of this title.

4 TITLE V—MISCELLANEOUS PROVISIONS

5 SEC. 501. Section 1310 of the Supplemental Appro-
6 priation Act, 1952 (Public Law 253, Eighty-second
7 Congress), as amended, is hereby repealed.

83D CONGRESS
2D SESSION

H. R. 7338

A BILL

To amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

By Mr. WITHROW

JANUARY 18, 1954

Referred to the Committee on Post Office and Civil Service

83D CONGRESS
1ST SESSION

H. R. 2263

IN THE HOUSE OF REPRESENTATIVES

JANUARY 29, 1953

Mr. HAGEN of Minnesota introduced the following bill; which was referred to the Committee on Post Office and Civil Service

A BILL

To authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Act entitled "An Act authorizing the employment
4 of mail messengers in the postal service", approved March
5 3, 1887 (39 U. S. C., sec. 578), is amended by adding at
6 the end thereof the following new paragraph:
7 "The Postmaster General may, in his discretion and
8 under such regulations as he may prescribe, readjust the
9 compensation of the holder of any contract for the perform-
10 ance of mail-messenger service on account of increased or

1 decreased costs occasioned by changed conditions which
2 could not reasonably have been anticipated at the time such
3 contract was made."

83d CONGRESS
1st Session

H. R. 2263

A BILL

To authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service.

By Mr. HAGEN of Minnesota

JANUARY 29, 1953

Referred to the Committee on Post Office and Civil Service

local taxing authorities in lieu of taxes, until a report and recommendations are received from the Commission on Intergovernmental Relations, which recently appointed a study committee to examine these problems.

FISHERY PRODUCTS BILL

Committee on Interstate and Foreign Commerce: Fish and Wildlife Subcommittee held hearings on S. 2802, to encourage further the distribution of fishery products in the development of research programs and increased markets, with testimony from the following witnesses, all of whom favored enactment of the bill: Senators Saltonstall, Payne (for himself and Senator Smith of Maine), and Green; Frederick Bundy, National Fisheries Institute, Gloucester, Mass.; Thomas A. Fulham, Fulham Bros., Inc.; Francis W. Sargent, division of marine fisheries, department of natural resources, Massachusetts; John Kaylor, New England Fisheries Technologists; Thomas D. Rice, Federated Fishing Boats of New England & New York, Inc.; Wayne Waller, of H. J. Baker Bros., Baltimore; Wayne Heydecker, Atlantic States Marine Fisheries Commission, Mount Vernon, N. Y.; Richard E. Reed, Maine Sardine Industry, Augusta, Maine; George E. Steele, Southeastern Fisheries Association, Jacksonville, Fla.; William J. Hendry, Gulf States Marine Fisheries Commission, New Orleans; James E. Barr, Shrimp Association of the Americas, Brownsville, Tex.; L. J. Hart, Gloucester Fisheries Association, Gloucester, Mass.; Miss Mary Schulman, assistant attorney general, State of Florida; Mr. Tupper, State of Maine official; Richard Nelson, the Oyster Institute of North America; Claude Verduin, Great Lakes area; Dr. Wilbert Chapman, American Tuna Boat Association, San Diego; Edward Allen, Seattle; John Linehan; and Arnie J. Suomela, Fish and Wildlife Service, Interior Department, who filed a statement.

LABOR DEPARTMENT NOMINATION, AND WELFARE FUNDS

Committee on Labor and Public Welfare: Committee, in executive session, unanimously ordered favorably reported the nomination of Arthur Larson to be Under Secretary of Labor. Prior to his approval, open hearings were held on the nomination, with testimony in his behalf from Senator Duff, Secretary of Labor Mitchell, and the nominee.

Also, the committee, in executive session, reported an original resolution (S. Res. 225) authorizing a full and complete study and investigation of employee welfare and pension funds under collective-bargaining agreements.

Committee also considered, but took no final action on, H. R. 356, to amend the Railroad Retirement Act of 1937, as amended, so as to eliminate the dual-benefit ban.

GOVERNMENT EMPLOYEES

Committee on Post Office and Civil Service: Committee, in executive session, unanimously ordered favorably reported S. 2665, to amend the Classification Act of 1949, and the Federal Employees Pay Act of 1945.

The bill, as approved by the committee, affects 2¼ million Federal employees by providing certain benefits and privileges which are now enjoyed by various segments of private industry. For example, this bill provides for the repeal of the so-called Whitten amendment, which has for more than 3 years imposed restrictions on Federal personnel management. The so-called Crafts, Protective, and Custodial Schedule under the Classification Act would be abolished and 69,000 CPC employees would come under the terms of the wage board, to be paid on the basis of prevailing wage rates; 47,000 would be transferred to the General Schedule of the Classification Act, and, in the majority of cases, there will be an increase in basic compensation, but in no event will there be a reduction in compensation.

The Civil Service Commission is authorized to recruit persons for hard-to-fill positions in the Federal service, and establish pay rates for such positions at higher than the minimum rate for the grade.

The bill would further provide overtime pay at a time-and-one-half rate for employees up to $5,810 per annum, as contrasted with the present limitation of $2,980 per annum. In addition, special premium pay has been provided for fire fighters and law-enforcement agents who are either required to be on duty on a standby basis or whose hours of duty cannot be controlled administratively.

The bill, as approved by the committee, will improve and simplify the administration of the Government's Incentive Awards Program. Also, it provides for the establishment of 300 additional grades under the Classification Act whose rates of compensation are between $12,000 and $14,800 per annum.

The bill also authorizes the departments and agencies to provide a $100 uniform allowance for all employees in such departments or agencies who are required to wear uniforms, provided the Congress, by appropriation acts, authorizes such expenditures.

House of Representatives

Chamber Action

Bills Introduced: 13 public bills, H. R. 8680–8692; 7 private bills, H. R. 8693–8699; and 5 resolutions, H. Con. Res. 222 and 223, and H. Res. 489–491, were introduced.

Page 4166

Bills Reported: Reports were filed as follows:

H. R. 8680, making appropriations for the Department of the Interior for fiscal year 1955 (H. Rept. 1460); and

H. R. 8649, to authorize the admission into evidence in certain criminal proceedings of information intercepted in national security investigations. Page 4166

Housing: Adopted H. Res. 485, providing for the consideration of a committee substitute amendment to H. R. 7839, to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities. The rule also waived points of order and provided 3 hours of debate on the bill.

After completing general debate the reading of the committee substitute for amendment was commenced and while in the Committee of the Whole an amendment was adopted designed to liberalize the downpayment requirements in the purchase of homes.

Rejected amendments designed to—

Delete language providing flexibility for Presidential use in connection with real-estate credit;

Remove language authorizing service charges; and

Limit service charges to one-half of 1 percent.

Pages 4108–4162

Bataan Day: Adopted S. J. Res. 143, designating April 9, 1954, as Bataan Day, and sent the resolution to the White House. Page 4162

Program for Friday: Adjourned at 5:54 p. m. until Friday, April 2, at 11 a. m., when the House will further consider H. R. 7839, the housing redevelopment bill.

Committee Meetings

FARM PROGRAM

Committee on Agriculture: Continued public hearings relative to the administration's proposed long-range farm program, and received testimony regarding tung nuts from Representatives Colmer, of Mississippi; Sikes and Matthews, of Florida; and Boggs, of Louisiana. Also heard T. G. Crawford, representing American Tung Association and National Tung Oil Marketing Cooperative, Inc.; Hamilton Morrison, representing Tung Growers Council of America; Claude Beebe, president, Tung Growers Council of America; and Chester Green, Franklinton, La.

All of the above witnesses recommended that tung nuts be supported, as at present, under Agricultural Act of 1949, at 60 to 90 percent of parity. The Secretary has recommended that tung nuts be placed under a permissive program rather than a mandatory price-support program. The witnesses reviewed the history of tung nuts and discussed various phases of the industry, including the importation of tung oil from other countries.

Adjourned until tomorrow morning when National Grange and other farm-group representatives are scheduled.

AIR FORCE RESERVE

Committee on Armed Services: Subcommittee No. 3 discussed matters relating to the Air Force Reserve today, meeting with Maj. Gen. William E. Hall, Assistant Chief of Staff, Reserve Forces; and Brig. Gen. James B. Burwell, Deputy for Operations (Headquarters Control), Air Command. Recessed until tomorrow morning.

DEATH GRATUITIES—GENERALS—NAVAL RESERVES

Committee on Armed Services: Subcommittee No. 2 approved for reporting to the full committee H. R. 1426, with amendments, relative to redefinition of words "relative" and "parent" as used in provisions of law authorizing payment of 6 months' death gratuity to widow, child, or dependent relative of persons in the Armed Forces. Representative Chenoweth (author of the bill), and Lt. Comdr. David J. Martin, Bureau of Personnel (Navy), testified on the measure.

Completed a hearing on H. R. 6003, authorizing Presidential appointment to rank of general (AUS) those officers who, in grade of lieutenant general, commanded the Army Ground Forces or an Army during World War II. This will be considered executively at a later date. Brig. Gen. Herbert Powell represented the Defense Department during the public session on this proposal.

Also heard the following representatives of the Bureau of Personnel (Navy) in connection with H. R. 6725, to terminate appointment authority of reserves in the Navy and the Marine Corps—Capt. F. C. Martin, Comdr. Glenn D. Williams, and Comdr. Rexford Wheeler. Adjourned subject to call of the Chair.

TAFT-HARTLEY LAW

Committee on Education and Labor: Voted unanimously to approve the following changes in the Taft-Hartley Act—

Increase amount of compensation and allowance for union officers from $5,000 to $7,500 that must be reported to the Secretary of Labor;

Struck out section 9 (f) (6), calling for detailed report to Secretary of Labor of union's constitutional provisions

83d Congress, 2d Session } HOUSE OF REPRESENTATIVES { Report No. 1464

READJUSTMENT OF COMPENSATION OF MAIL-MESSENGER CONTRACTS

April 2, 1954.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Gross, from the Committee on Post Office and Civil Service, submitted the following

REPORT

[To accompany H. R. 2263]

The Committee on Post Office and Civil Service, to whom was referred the bill (H. R. 2263) to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

STATEMENT

This legislation authorizes the Postmaster General in his discretion to readjust compensation for mail-messenger contracts, under such regulations as he may issue, on account of increased or decreased costs incurred by the contractors which could not reasonably have been foreseen when the original contract prices were agreed upon. Similar authority was contained in Public Law 669, 80th Congress, with respect to compensation of star-route contractors, and in Public Law 262, 82d Congress, with respect to compensation of screen-vehicle contractors. This authority has been used very carefully in the interest of equity as well as for the general public benefit.

Mail-messenger contracts provide for transportation of mail between railway depots or airports and post offices. In most of the larger cities this service is performed by the Motor Vehicle Service of the Post Office Department, while the mail-messenger contract is used primarily in smaller places. According to testimony of Post Office Department representatives, there are 12,615 mail-messenger routes, of which approximately 10,000 are in amounts under $2,000 per year. These contracts are awarded competitively and are "open-end" contracts; that is, each contract continues until one of the parties gives notice of intent to discontinue, whereupon the contract is readvertised.

Consistent with his policy of securing all practicable economies in postal operations, the Postmaster General has authorized a survey of these mail-messenger contracts. It was found that some of these contracts require carrying mail for distances as short as 50 feet between post office and railway depot, while others are for somewhat longer distances. Often there is very little mail to handle so that it can be carried by hand without any hardship, though in some cases the volume may be greater, particularly in rush periods such as the Christmas season.

These facts all were taken into consideration in evaluating results of the postal mail-messenger survey. On the basis thereof contracts for mail-messenger service have been discontinued in a number of instances where the circumstances do not warrant the expenditure of public funds. They are being continued, however, on an individual basis where necessary to prevent hardship, and assurance was given that this policy will be continued. The Post Office Department gave the committee a number of examples of such situations, and the committee is fully satisfied that no inequities will be caused by this program.

In some cases considerable additional cost is being incurred by mail-messenger contractors which equitably justifies an increase in their contract prices. In other cases downward adjustments in compensation would be acceptable to the contractors because of decreased volume. Regardless of the situation, these contract prices cannot be readjusted under present law. To do that it would be necessary to cancel out the existing contract, possibly thereby losing a loyal, experienced employee who often has given long and faithful service, and open the contract to competitive bidding which may reach cutthroat proportions. From a public interest standpoint, this at times would be undesirable since the mail service might suffer by substitution of a new, inexperienced, and possibly less trustworthy and loyal individual for the old contractor. Obviously, this would not justify a minor saving in the amount of the contract price.

In the committee's judgment, the Postmaster General should have authority to readjust these contract prices and retain his good contract employees.

This legislation will authorize the Postmaster General to take care of this situation, which as pointed out above parallels that involving star route and screen vehicle contracts. Since both increases and decreases in compensation will be authorized, it is not possible to estimate the cost or saving which will result from enactment thereof.

The reports of the Acting Postmaster General and of the Bureau of the Budget approving this legislation follow:

OFFICE OF THE POSTMASTER GENERAL,
Washington 25, D. C., July 6, 1953.

Hon. EDWARD H. REES,
Chairman, Committee on Post Office and Civil Service,
House of Representatives.

DEAR MR. CHAIRMAN: Reference is made to your request for a report on H. R. 2263, a bill to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service.

This measure would permit the Postmaster General to make adjustments, either upward or downward, in the compensation of the holder of any contract for the performance of mail-messenger service on account of increased or decreased costs occasioned by changed conditions which could not reasonably have been anticipated at the time such contract was made. The Postmaster General is

unable to do this at present under existing statutes. It is believed that this bill will be advantageous to the Department and its enactment is recommended.

Since it will be possible to adjust the contracts downward, as well as upward, it is not possible to estimate the cost or savings to the Department that will result from the enactment of this measure.

The Bureau of the Budget has advised that there would be no objection to the submission of this report to the committee.

Sincerely yours,

C. A. HOOK, *Acting Postmaster General.*

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 17, 1953.

Hon. EDWARD H. REES,
Chairman, Committee on Post Office and Civil Service,
House of Representatives,
213–215 Old House Office Building,
Washington 25, D. C.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of February 5, 1953, inviting the Bureau of the Budget to comment on H. R. 2263, a bill to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service.

Under existing law, mail-messenger service contracts run for an indefinite period of time and may be terminated by either party. The proposed legislation would authorize the Postmaster General to readjust upward or downward the compensation of holders of such contracts to reflect changes in operating costs and conditions not foreseeable at the time the contract was executed, which he is unable to do under existing statutes.

Similar authority has previously been given the Postmaster General regarding star route and screen vehicle contractors and has been found desirable in that it has resulted in a reduction in turnover and in better service. It is believed that its extension to the mail-messenger service should produce similar benefits.

This Office would have no objection to the enactment of this measure.

Sincerely yours,

ROWLAND HUGHES, *Assistant Director.*

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

ACT OF MARCH 3, 1887

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Postmaster General be, and he is hereby, authorized to employ such mail-messenger service as may be necessary for the carriage of the mails in connection with railroad and steamboat service, transfer service between depots, over bridges or ferries, between post-offices, post-offices and branch offices or stations, in cases where by the laws and regulations of the Post-Office Department, railroad companies, steamboat companies, and the masters of vessels are not required to deliver into and take from the post-offices the mails carried on their lines or vessels.

The Postmaster General may, in his discretion and under such regulations as he may prescribe, readjust the compensation of the holder of any contract for the performance of mail-messenger service on account of increased or decreased costs occasioned by changed conditions which could not reasonably have been anticipated at the time such contract was made.

83D CONGRESS
2D SESSION

H. R. 2263

IN THE SENATE OF THE UNITED STATES

MAY 4 (legislative day, APRIL 14), 1954

Read twice and referred to the Committee on Post Office and Civil Service

AN ACT

To authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Act entitled "An Act authorizing the employment
4 of mail messengers in the postal service", approved March
5 3, 1887 (39 U. S. C., sec. 578), is amended by adding at
6 the end thereof the following new paragraph:
7 "The Postmaster General may, in his discretion and
8 under such regulations as he may prescribe, readjust the
9 compensation of the holder of any contract for the perform-
10 ance of mail-messenger service on account of increased or

1 decreased costs occasioned by changed conditions which
2 could not reasonably have been anticipated at the time such
3 contract was made."

Passed the House of Representatives May 3, 1954.

Attest: LYLE O. SNADER,

Clerk.

83D CONGRESS
2D SESSION

H. R. 2263

AN ACT

To authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service.

MAY 4 (legislative day, APRIL 14), 1954

Read twice and referred to the Committee on Post Office and Civil Service

Calendar No. 1195

83d Congress, 2d Session | SENATE | Report No. 1190

GOVERNMENT EMPLOYEES FRINGE BENEFITS

April 6 (legislative day, April 5), 1954.—Ordered to be printed

Mr. Carlson, from the Committee on Post Office and Civil Service, submitted the following

REPORT

[To accompany S. 2665]

The Committee on Post Office and Civil Service, to whom was referred the bill (S. 2665), to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

Explanation of Committee Amendments

Under the amendment to section 202 (7) of the Classification Act of 1949 contained in section 102 of the bill as introduced employing agencies were authorized, in areas where the number of employees who would otherwise be subject to wage board procedures is so few as to make the application of such procedures impracticable, to fix the compensation of such employees administratively at Classification Act rates for positions of corresponding difficulty or responsibility. The committee amended this provision so as to provide that in such cases the employees would actually be subject to the Classification Act of 1949.

The committee amendment contained in section 102 (b) of the bill provides that the positions of senior specialists in the Legislative Reference Service of the Library of Congress may be in addition to the 700 positions authorized by section 505 of the Classification Act of 1949, as amended by section 102 (b) of the bill, to be placed in grades 16, 17, and 18 of the general schedule.

Under section 703 (a) of the Classification Act of 1949 no longevity step increase is payable if during the 3-year period, at the maximum or a longevity rate of a grade, necessary to qualify for such an increase there has been any change in the grade or compensation of the employee. The committee amendments contained in section 102 (g) of

42006—54——1

the bill would change this provision so that the employee would not be disqualified by such a change unless the change amounted to an increase in grade or salary.

Section 104 of the bill as introduced provided that employees formerly under the CPC schedule who are placed under wage boards by the bill would continue to receive compensation at rates prescribed for the grades of their respective positions under the Classification Act until their compensation had been fixed under the wage board procedure. The committee amendment to this section provides that the rates of compensation of these employees during the period prior to the application of the wage board procedure will continue to be subject to the Classification Act of 1949 and the regulations thereunder which are in effect on the date of enactment.

Under section 302 (a) of the bill as introduced, in addition to regular pay for holiday work, premium compensation would be payable for such work at the rate of 1½ times so much of the regular pay as does not exceed the maximum scheduled rate for grade GS–9. The committee amendment provides that the premium compensation shall be equal to, rather than 1½ times, the regular pay.

Section 304 (c) provides that incentive awards may be paid to Government employees even though they have died or otherwise become separated from the service. The committee amendment merely makes clear that the services forming the basis for the award must have been performed while in the employ of the Government.

The committee amendment to section 305 adds the second proviso in section 5 (i) of the act of May 18, 1933, to the list of provisions to be repealed. The amendment also adds a general repealing clause.

The committee amendment to section 402, relating to uniform allowances, provides in effect that no allowances will be payable unless an appropriation is made for that specific purpose upon a showing of the necessity or desirability thereof. The amendment also provides that those granted an allowance under a different existing law or regulation may, at the discretion of the agency head, continue to receive the allowance under such other law or regulation but in such case no allowance would be payable under the bill. The committee amendment also makes clear that the provisions of the section will apply to employees of the government of the District of Columbia.

Other committee amendments are of a minor clarifying or clerical nature.

Statement

The purpose of the bill, as amended by the committee, is to improve Federal personnel administration and to grant benefits and privileges to Federal employees which are comparable to those enjoyed by employees in private industry.

Title I abolishes the crafts, protective, and custodial schedule of the Classification Act of 1949, as amended, and the positions presently allocated in such schedule are transferred to: (1) a local prevailing wage-rate system, or (2) the general schedule of the Classification Act of 1949.

Approximately 700,000 Federal employees in crafts and labor positions in production and construction work are paid on the basis of local prevailing wage rates. About 69,000 similar positions are paid under the statutory nationwide pay schedules of the Classifica-

tion Act. These employees having similar qualifications, performing similar work and appointed from the same civil service examinations are many times working side by side at different wage rates. The bill would eliminate these pay inequities and the 69,000 crafts, protective, and custodial schedule positions referred to above would be transferred to the wage board system.

The remaining 47,000 positions in the crafts, protective, and custodial schedule mainly consisting of guards, messengers, and fire fighters, would be transferred to the general schedule in accordance with the provisions of section 103.

The approval of this legislation will be a forward step in the simplification of the pay structure of the Classification Act of 1949 by eliminating the 10 grades of the crafts, protective, and custodial schedule, and all Classification Act positions would then be classified and paid under the 18 grades of the general schedule.

Subsection (b) of section 102 increases the number of positions in grades GS–16, GS–17, and GS–18 authorized under the Classification Act of 1949. At present the Classification Act of 1949 sets a ceiling of 400 on the number of positions in such grades. The bill provides for 300 additional positions in these grades and removes the limitation on the number of positions in each grade. In all other respects, the provisions of the Classification Act of 1949 would remain in effect.

According to testimony by the Civil Service Commission, there is a pressing need for the 300 additional positions in grades GS–16, GS–17, and GS–18. It appears that more than 700 such positions have been requested by the executive departments and agencies but the Civil Service Commission on review states that 300 of the requested positions warrant classification in such grades and that these positions will be distributed among about 26 different agencies.

The bill as approved by the committee also provides longevity salary step increases for Federal employees paid under the provisions of the Classification Act of 1949 from grade GS–11 through grade GS–15. The committee believes that the incentive provided by longevity pay increases is as essential in those grades above GS–10, where opportunities for advancement are more limited, as in the lower grades. It is estimated that approximately 8,000 employees above grade GS–10 may now qualify for longevity step increases by reason of their length of service at the maximum rate in their grade. The committee believes that the additional cost of approximately $1,585,000 during the first year following the approval of the legislation is fully justified. In the following years the additional cost would be substantially reduced.

Title II of the bill modernizes and simplifies the overtime and premium compensation laws relating to Federal employees. The most important provisions of this title relate to raising the base-pay ceiling upon which overtime pay rates are based. At the present time, the time and one-half rate for overtime work now applies only to salaries of $2,980 per annum and below. Those Federal employees who are required regularly to work overtime and who are paid at a rate higher than $2,980 per annum receive less than time and one-half overtime pay, at a gradually diminishing rate. The bill raises this cutoff point to the maximum rate of GS–9, now $5,810 per annum, so that all Federal employees receiving $5,810 and below will be entitled to true time and one-half for overtime work, those whose

annual compensation is above $5,810 per annum will receive overtime pay based on the first $5,810 of their annual salaries.

The ceiling on base pay plus overtime or any other premium pay would be increased under the bill from the present amount of $10,330 which was the previous maximum rate of grade GS–15 to $11,800 which is the present maximum rate of grade GS–15.

The bill also guarantees a minimum of 2 hours' pay at the overtime rate for any Federal employee called back for overtime work on a nonworkday or during his off-duty hours. This is in conformity with present industry practices.

Under title II, the bill establishes a clear policy of work schedules of Federal employees. It assures employees that they will be assigned to normal work schedules except where irregular tours of duty are essential to the performance of department and agency functions. At the same time the bill permits agencies to continue to schedule unusual tours of duty for employees whenever operating requirements do not permit normal work schedules.

Subsection (g) of section 202 establishes a new policy with respect to special overtime for Federal employees whose working conditions are not suited to the payment of hourly rates for overtime, night, and holiday work. Such subsection adds a new title IV to the Federal Employees Pay Act of 1945 under which permissive authority is granted to the head of any executive department or agency to pay not in excess of 25 percent of an employee's basic compensation provided such employee occupies a position such as fire fighter which requires him to remain at his station longer than ordinary periods of duty, a substantial part of which consists of remaining in a standby status rather than performing work. Such premium compensation is in lieu of any other premium compensation provided for under the bill.

Similar benefits up to 15 percent additional to base pay, for irregular or unscheduled overtime, night or holiday duty, are accorded to other Federal employees such as investigators of criminal activities, including agents of the Federal Bureau of Investigation, whose hours of duty cannot be controlled administratively and which require substantial amount of irregular unscheduled overtime duty or at night and on holidays.

Title III of the bill establishes a uniform and progressive Government employees incentive awards program. At present, the Government's incentive awards programs operate under several legislative authorizations and the administration of these programs which apply to Federal employees whose positions are under the Classification Act of 1949 is divided between the Bureau of the Budget and the Civil Service Commission. The committee believes this split responsibility for direction hampers effective administration and oftentimes defeats the meritorious purpose of such programs.

The bill eliminates these barriers to effective administration by not only consolidating and codifying existing laws but also centers full responsibility for the direction of the Government employees incentive awards programs under the Civil Service Commission.

The bill improves present law in the following respects:

1. Places authority for direction of the Government employees' incentive awards program with the Civil Service Commission.

2. Authorizes Presidential honorary awards to civilian employees.

3. Authorizes monetary awards based on Governmentwide savings when appropriate.

4. Makes employees under all pay laws eligible for all types of awards.

5. Eliminates salary-increase awards and provides for cash awards in their stead.

6. Eliminates the present $25,000 annual limit on total cash awards an agency can make for adopted employee suggestions.

7. Eliminates the present $1,000 limit on individual cash awards for employee suggestions.

8. Eliminates the present maximum (an amount equal to three within-grade salary steps) on certain cash awards.

9. Extends the awards program to cover inventions by Government employees.

10. Permits delegation, within departments, of the authority to make awards.

Title IV of the bill as amended by the committee provides the heads of the departments and agencies with the authority to request appropriations for the payment of uniform allowances of not exceeding $100 per annum to each employee in such departments or agencies where such employee is required to wear a uniform.

Title V of the bill provides for the repeal of section 1310 of the Supplemental Appropriations Act, 1952, which is usually referred to as the Whitten amendment. The committee believes that this amendment which is now permanent law has outlived its usefulness because it severely hampers personnel administration in the Federal Government. The committee believes that substantive law affecting personnel management in the Federal Government should not be enacted through riders on appropriation acts. The subject matter covered by the Whitten amendment is the primary responsibility of the Post Office and Civil Service Committees of the Congress.

The Whitten amendment served its purpose when Federal employment was being rapidly expanded during the Korean emergency. Its proponents advocated its enactment because of the problems which arose during a rapidly expanding Federal employment in World War II. Now, however, the Federal Government is decreasing in size and there is great concern over maintaining a permanent work force in the Federal Government whose continuity of service should be maintained and whose morale should be improved. The restrictions imposed by the Whitten amendment concerning the total number of permanent employees and the number of permanent positions in the several Classification Act grades at the level of September 1, 1950, are not realistic. Also, the prohibition against permanent appointments, reinstatements, transfers, and promotions, except under specified circumstances, is a handicap to effective personnel management.

Members of Congress and the heads of the departments and agencies of the Government alike are beseiged on all sides by requests for special consideration and exceptions to the application of the Whitten amendment. This necessitated a revision of the Whitten amendment on June 5, 1952. More recently an inequity has arisen in connection with the educational benefits representatives in the Veterans' Administration who are now denied permanent status in grade GS–8

although previously they occupied permanent status in grade GS–9 and in grade GS–7 as registration officers. This inequity is caused by the fact that the Whitten amendment imposes a ceiling for promotion purposes on the number of permanent positions in the several grades under the Classification Act which existed on September 1, 1950.

The postal service is being affected by the overall ceiling on permanent appointments by the restriction of the Whitten amendment limiting the number of permanent positions in the postal service to the September 1, 1950, level. Although administrative action has been taken to permit permanent appointments in the postal service, the full benefit of such an exception cannot be achieved without the removal of the September 1, 1950, ceiling.

Not only in the postal service but in other departments and agencies of the Government, the committee has been advised that great difficulty has been experienced in connection with recruiting employees who ordinarily could be offered permanent appointment but cannot now be granted this benefit because of the limitations imposed by the Whitten amendment.

Employees and veterans' organizations alike strongly advocate the repeal of the so-called Whitten amendment as provided by section 501 of the bill.

Summary

Senate bill 2665, as amended by the committee, is strongly supported by the executive branch of the Government. The committee feels that the bill incorporates a substantial and important part of the President's progressive personnel program. The bill, as amended, is the result of a careful analysis and a comprehensive review of the combined recommendations submitted to the committee in the form of extensive public hearings, committee studies, agency reports, and consultations with employee organizations. Representatives of the Civil Service Commission and other departments and agencies of Government as well as representatives of Federal employee organizations who appeared at the public hearings gave this proposed legislation their wholehearted support. Certain amendments were proposed all of which were given careful consideration and many were approved by the committee.

The committee believes that the enactment of this bill will eliminate many of the existing inequities and greatly improve the personnel operations of the Federal Government. Therefore, the Senate Post Office and Civil Service Committee unanimously agreed to favorably report the bill to the Senate as amended in committee.

Title and Section Analysis of S. 2665, Including Amendments Approved by the Committee

TITLE I—AMENDMENTS TO THE CLASSIFICATION ACT OF 1949, AS AMENDED

Section 101 establishes a short title "The Classification Act Amendments of 1954."

Section 102 (a) removes from the Classification Act those maintenance workers in crafts, trades, manual labor, and other similar positions now under the crafts, protective, and custodial schedule of

the act, and provides that such employees shall be paid on a local prevailing rate basis.

Section 102 (b) increases the number of positions allowed in grades GS–16, GS–17, and GS–18 from 400 to 700, so far as the Classification Act itself is concerned, and removes the present requirement that the number allowed be distributed among the 3 grades in a fixed proportion. This section continues the provisions of the present law requiring (*a*) that positions may be placed in grades GS–16 or GS–17 only with prior approval of the Civil Service Commission, and (*b*) that positions may be placed in or removed from grade GS–18 only by the President upon recommendation of the Civil Service Commission. It does not affect special or individual legislation authorizing additional positions in these grades in specified agencies. This section also provides that the positions of senior specialists in the Legislative Reference Service of Library of Congress may be in addition to the 700 positions authorized to be placed in grades GS–16, GS–17, and GS–18.

Section 102 (c) provides for the continuation of the general schedule of basic compensation, and deletes reference to the crafts, protective and custodial schedule of the Classification Act of 1949, as amended.

Section 102 (d) deletes the grade level definitions for the crafts, protective and custodial schedule.

Section 102 (e) repeals the crafts, protective and custodial schedule of basic compensation and incidental references thereto.

Section 102 (f) amends section 604 of the Classification Act of 1949 so as to eliminate all language which has to do with the initial pay adjustments at that time, with the exception of a broad saving clause which was contained in section 604 (b) (11).

Section 102 (g) (1) provides that employees who (1) have earned credit toward the required 3-year period at a maximum rate or longevity rate (required for a longevity step increase) and (2) are changed to the maximum or a longevity rate of a lower grade shall retain such credit toward a longevity step increase in the lower grade. For example, an employee at the top of grade GS–9, with 2 years' service toward a longevity increase, who is changed to the top rate of grade GS–7, would retain the 2 years' credit toward a longevity increase in that grade. Under present law, this employee has to begin his longevity period over again in grade GS–7.

Section 102 (g) (2) authorizes longevity step increases for employees in grades 11 through 15 of the general schedule. Longevity step increases are now authorized for grades 1 through 10 of the general schedule, and the entire crafts, protective and custodial schedule.

Section 102 (g) (3) deletes obsolete references, brings them in accord with the bill, and continues existing provisions on pay of employees who become eligible for longevity rates while being paid at saved rates in excess of the maximum scheduled rates of their grades.

Section 102 (h) permits employees in grades GS–11 through GS–15 who are at the top salary rate for their grades when this act is enacted to receive credit toward longevity increases for immediately prior service at the top of their present grades.

Section 102 (i) brings references into accord with the bill, and continues and extends to employees affected by this act the existing provisions on pay of employees who are promoted while receiving a

saved rate of compensation in excess of the maximum scheduled rates of their grades.

Section 102 (j) authorizes the Commission to use one of the within-grade salary steps as the minimum rate for any class of Classification Act jobs in an area whenever the Commission finds that (1) sufficient qualified candidates for the kind of position concerned cannot be secured at the existing minimum rate of the grade, and (2) that there is a possibility of securing a sufficient number of eligibles by increasing the minimum rate for such class.

Section 103 (a) sets a time limit on the effective date of the transfer of positions from the crafts, protective, and custodial schedule to the general schedule. It requires this change to take place not later than the first day of the first pay period which begins 6 months after enactment. This section also translates the existing grades of the crafts, protective, and custodial schedule of the Classification Act into corresponding grades of the general schedule.

Section 103 (b) specifies the rules by which pay rates of the crafts, protective and custodial schedule are to be automatically adjusted to the new rates of the general schedule grades. The general principle is that an employee's new rate is to be the nearest rate of his new grade which is not less than the rate he was receiving under his previous pay schedule. Paragraph (4) states that no present employee's pay is to be reduced by reason of the change from the crafts, protective and custodial to the general schedule as long as he remains in the same position. When the present incumbent leaves the position, any subsequent appointee will have his compensation fixed in accordance with the regular provisions of the act. Paragraph (5) guards against any increase provided by this title being considered an equivalent increase for periodic step-increase purposes.

Section 104 (a) sets a time limit on the effective dates of transfer, of employees from the crafts, protective and custodial schedule to prevailing rate basis. It requires the employees concerned to be transferred on a date or dates specified by the head of the respective department, but not later than the first day of the first pay period which begins after 12 months following date of enactment.

Section 104 (b) provides that employees in positions now in the crafts, protective and custodial schedule would continue to receive compensation under that schedule until transferred to the general schedule or prevailing-rate pay schedules, as the case may be.

Section 105 authorizes the Commission to issue regulations for the administration of Title I of this bill.

Section 106 is a general overall saving clause. It provides that no present employee's pay is to be reduced by reason of his changing from one schedule to another or from a scheduled rate of pay to a prevailing rate basis, or by reason of any other provision of this title. When he vacates his position, any subsequent appointee to it will have his compensation fixed in accordance with the regular schedule applicable to such position.

TITLE II—PREMIUM COMPENSATION

Section 201 provides that title II may be cited as the "Premium Compensation Act of 1954."

Section 202 (a) makes the coverage of the new title IV of the bill the same as the coverage of the other premium-pay provisions of the Federal Employees' Pay Act of 1945, as amended.

Section 202 (b) provides (*a*) overtime pay at a time-and-one-half rate for employees at salaries up to the top rate of grade GS–9, now $5,810 a year, and (*b*) overtime pay at a rate equivalent to time-and-one-half at the top rate of grade GS–9 for employees above that salary level. Under the present provisions of the Federal Employees' Pay Act, a time-and-one-half rate of overtime pay applies to salaries of $2,980 and below; at salaries above $2,980, overtime is paid for in accordance with a diminishing scale.

Section 202 (c) continues existing authority to grant compensatory time off when an employee so requests in place of pay for irregular or occasional overtime work. It also gives agency heads the option, which they do not now have, of granting compensatory time off instead of overtime pay for irregular or occasional overtime duty performed by employees whose salaries are above the top of grade GS–9.

Section 202 (d) redesignates section 203 of the Federal Employees' Pay Act as section 205 and adds new sections 203 and 204. The new section 203 adds to existing law provision for a minimum of 2 hours' pay at the overtime rate for any employee called back to perform overtime work after he has gone home or on one of his days off duty. The new section 204 enacts into law principles currently expressed in decisions of the Comptroller General that time spent in a travel status away from the official duty station of any officer or employee shall be considered as hours of employment only when (*a*) within the days and hours of such officer's or employee's regularly scheduled workweek, including regularly scheduled overtime, or (*b*) the travel involves the performance of work while traveling or is carried out under arduous conditions.

Section 202 (e) amends the night-differential-pay provisions of section 301 of the Federal Employees' Pay Act. It continues the existing 10-percent rate of night differential for regularly scheduled work between 6 p. m. and 6 a. m.; and adds new provisions permitting employees whose regular tours of duty include nightwork to be paid night differential for periods of absence with pay during such hours due to holidays, and for periods of leave with pay totaling less than 8 hours during any pay period. At present employees receive night differential only for hours actually worked. This section also provides a new authority which allows agencies to change the night differential period at overseas posts to the extent necessary to permit conformance with customary local hours of business.

Section 202 (f) amends the holiday pay provisions of section 302 of the Federal Employees' Pay Act. It continues the existing rate of compensation for nonovertime work on a holiday, extra pay at the straight-time rate in addition to the regular rate. It adds a new provision requiring a minimum of 2 hours' pay at the holiday rate for any employee assigned to such work on a holiday. This section also provides explicitly, rather than implicitly as in the present statute, that compensation for overtime work on Sundays and holidays shall be the same as for overtime work on other days.

Section 202 (g) adds a new title IV to the Federal Employees' Pay Act. Subparagraph (a) of section 401 of the new title authorizes additional annual pay at rates up to 25 percent of base pay rates, in lieu of all overtime, night, and holiday pay, for fire fighters and other employees who are required to remain at their stations during longer than

ordinary periods of duty, but spend a substantial part of their time on duty in a standby status. Subparagraph (b) of section 401 of the new title authorizes additional annual pay at rates up to 15 percent of base pay rates, in lieu of other pay for irregular or unscheduled overtime duty and for night and holiday duty, for such employees as investigators of criminal activities. They would receive other overtime pay for regularly scheduled overtime work, officially ordered or approved. Employees in this group are required to perform substantial amounts of irregular overtime and night and holiday duty, and, because of the nature of their activities, their hours of work are not subject to the usual administrative controls. Additional annual pay under the new title is subject to approval of the Civil Service Commission and is computed on only such part of an employee's base pay as does not exceed the maximum scheduled rate of grade GS–9.

Section 202 (h) establishes the maximum scheduled rate of grade GS–15, at present $11,800, as the ceiling rate beyond which no premium compensation will be paid for overtime, night, or holiday work. This replaces the ceiling rate of $10,330 (at that time the maximum of the corresponding grade, CAF–15) currently set by the Federal Employees' Pay Act.

Section 202 (i) adds new provisions on scheduling tours of duty to section 604 (a) of the Federal Employees' Pay Act. Except where an agency would be seriously handicapped in carrying out its functions or costs would be substantially increased, the new provisions would require tours of duty to be scheduled a week in advance; a basic workweek of 40 hours to be scheduled on 5 days, Monday through Friday if possible; the 2 days outside the basic workweek to be consecutive; the same working hours on each day; a workday not in excess of 8 hours; workweeks not to be altered because of the occurrence of holidays; and daily tours not to be split by offduty periods of more than 1 hour. Existing scheduling provisions of the Federal Employees' Pay Act would continue in effect. These provisions are mandatory and require agencies to establish a basic workweek of 40 hours on not more than 6 of any 7 consecutive days.

Section 202 (j) provides that title II shall become effective at the beginning of the first pay period beginning after July 1, 1954.

TITLE III—GOVERNMENT EMPLOYEES' INCENTIVE AWARDS

Section 301 establishes a short title, the "Government Employees' Incentive Awards Act."

Section 302 states that the awards program under this title shall be carried out under regulations and instructions issued by the United States Civil Service Commission. It further provides that the Commission shall report the results of the program annually to the President for transmittal to the Congress.

Section 303 defines the term "department." This section will place all Federal departments and agencies under the provisions of this title.

Section 304 (a) authorizes the head of each department to pay cash awards to and incur necessary expenses for the honorary recognition of civilian officers and employees of the Government in the following circumstances:

1. When such officers or employees have contributed to the efficiency, economy, or other improvement of Government operations by their suggestions, inventions, superior accomplishments or other personal efforts; or

2. When they have performed special acts or services in the public interest in connection with or related to their official employment.

Section 304 (b) authorizes the President to pay cash awards to and incur necessary expenses for the honorary recognition of civilian officers and employees of the Government in addition to departmental awards authorized in section 304 (a) in circumstances where such additional awards or recognition are determined by the President to be warranted.

Section 304 (c) provides that awards authorized in section 304 (a) and 304 (b) may be paid even though the official or employee has died or been separated from the service, provided that the suggestion or other contribution on which the award is based was made while he was in the Government's employ.

Section 304 (d) provides that a cash award under this section shall be in addition to regular compensation of the officer or employee. It also is designed to protect the United States from a claim of any kind which might arise from the acceptance of a cash award by any employee, former employee, or his heirs or assigns. It should be understood that the inclusion of this subsection in the title in no way implies the existence of a claim against the United States in any case in which the award is not accepted or in which the recipient later deems it insufficient. This carries forward the language in existing law to be found in section 14 of the act entitled "An act to authorize certain administrative expenses in the Government service, and for other purposes" approved August 2, 1946, which section is repealed in section 305 hereinafter.

Section 304 (e) authorizes departments to pay cash awards and expenses for honorary recognition from their general appropriations. In addition, it will permit two or more departments which have benefited from a single suggestion or other contribution to share in the cost of the award granted therefor. The President will determine the proportionate amount that each benefiting department will contribute in the case of those awards he authorizes, and the head of each department will determine the amount of the awards he authorizes.

Section 304 (f) states that due weight shall be given to awards made under this title in considering employees for promotion.

Section 305 repeals all existing laws governing incentive-awards programs. Section 702 of the Classification Act of 1949, which authorizes within-grade salary step increases for superior accomplishment is among the laws repealed in this section.

Section 306 establishes the effective date of this title as 90 days after its enactment. This will give departments time to revise their awards programs in compliance with the provisions of this title.

TITLE IV—UNIFORM ALLOWANCES

Section 401 establishes a short title, the "Federal Employees Uniform Allowance Act."

Section 402 authorizes the annual appropriation of funds to Government agencies in amounts up to $100 multiplied by the estimated

number of agency employees (1) who are required by existing regulation or by law to wear a prescribed uniform while on duty and (2) who are not furnished with the required uniform. Under rules issued by the Bureau of the Budget the agency head would have to pay out of these funds not more than $100 per year, as prescribed by agency regulations, to each such employee for purchase and upkeep of uniforms. Any amounts allowed for the same purpose under other law or regulation would be deducted from any allowance paid under this title.

Section 403 provides that allowances paid under this title shall not be considered as pay salary or compensation within the meaning of the Civil Service Retirement Act of May 29, 1930, as amended, or as wages within the meaning of section 209 of the Social Security Act, as amended, or subchapter A or D of chapter 9 of the Internal Revenue Code, as amended.

Section 404 authorizes and directs the Director of the Bureau of the Budget to issue necessary rules and regulations for the administration of this title.

TITLE V—MISCELLANEOUS PROVISIONS

Section 501 repeals section 1310, Supplemental Appropriation Act, 1952 (Public Law 253, 82d Cong.), as amended (commonly known as the Whitten amendment), which places certain restrictions on Government personnel operations.

Agency Reports

The following reports were submitted at the request of the committee and are set forth below:

United States Civil Service Commission,
Washington, D. C., February 19, 1954.

Hon. Frank Carlson,
Chairman, Post Office and Civil Service Committee,
United States Senate.

Dear Senator Carlson: As requested in your letter of January 12, 1954, we are submitting our views and comments on S. 2665, a bill to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

TITLE I

Title I of the bill includes the following changes in the Classification Act of 1949, as amended: (1) abolishes the crafts, protective, and custodial schedule of the act, moves the crafts, trades, manual labor, and other similar positions now in this schedule to a local prevailing wage rate system and transfers all remaining positions now paid under the CPC schedule to the general schedule of the Classification Act; (2) increases the number of positions authorized in grades GS–16, 17, and 18 to 700 and within this ceiling of 700, removes the limitations on the number of positions allowed at each of these grades; (3) provides for longevity increases for employees serving in positions at grades GS–11 to GS–15; and (4) authorizes the Civil Service Commission to make temporary adjustments of minimum pay rates in order to recruit and retain needed personnel.

The Civil Service Commission favors these proposals in title I. Our specific comments on each proposal are presented below under appropriate headings.

(*a*) *Abolition of CPC schedule*

Section 102 (a) would remove maintenance workers in crafts, trades, manual labor, and other similar positions from the crafts, protective, and custodial schedule of the Classification Act of 1949, and pay them on a local prevailing rate basis.

Section 103 would transfer all remaining positions in the CPC schedule to specified corresponding grades of the general schedule. Section 104 (b) would establish a time limit for these transfers, and would provide that until such transfer is effected the compensation received by these employees shall be at rates presently prescribed by the Classification Act of 1949, as amended.

There are now approximately 116,000 positions in the CPC schedule. Approximately 69,000 of these are maintenance jobs in crafts, trades, and manual labor. Over 750,000 similar Government crafts and labor positions in production and construction work are paid on the basis of local prevailing wage rates. This means that employees having similar qualifications, performing similar duties; appointed from the same civil-service lists, and many times working side by side are paid at different rates. The proposed legislation is necessary to eliminate this pay inequity. This action is also necessary to place the Federal Government in a better competitive position with private industry in the recruitment and retention of blue-collar workers.

Moving the approximately 69,000 crafts and labor positions to a local prevailing rate basis would leave approximately 47,000 positions in the CPC schedule. The proposed legislation would transfer these 47,000 jobs (consisting of such occupations as guards, messengers, and fire fighters) to the general schedule of the Classification Act of 1949. This would simplify the pay structure of the Classification Act. The number of grades under this act would be reduced from 28 to 18.

We estimate that the total cost of placing the approximately 69,000 of the present CPC schedule jobs on a prevailing-wage basis and transferring the other 47,000 to the GS schedule would be approximately $36,500,000 on an annual basis under current conditions.

We recommend two changes in language to make clear the intent of the provisions concerned. We propose the following clarifying language as a substitute for the last proviso in section 102 (a), page 2, lines 15 to 23, of the bill:

> "*Provided further*, That whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make prevailing-rate determinations impracticable, such employee or employees shall be subject to the provisions of the Classification Act of 1949, as amended, which are applicable to positions of equivalent difficulty or responsibility."

This change in language would make clear that when such employees were not paid on a local prevailing rate basis, they would be subject to all the provisions of the Classification Act of 1949, as amended, rather than merely paid in accordance with the pay rates of that section. This would assure that the employees affected by the provisions of section 102 (a) of S. 2665 would be treated in the same manner as other employees covered by the provisions of the Classification Act of 1949.

The second language change we suggest applies to section 104 (b) to make clear that the positions now in the CPC schedule would continue until the transfer to the general schedule and the wage board system is completed:

> "With respect to employees and positions to which sections 102 (a) and 103 of this title apply, the provisions of the Classification Act of 1949, as amended, and any provisions of law and regulations controlling pay adjustments which were in effect on the date of enactment of this act, shall continue in effect for any such employee or position until compensation shall have been fixed in accordance with the provisions of this title."

(*b*) *Increase in the number of positions authorized in grades GS–16, 17, and 18*

Section 102 (b) would authorize 700 positions in grades GS–16, GS–17, and GS–18, without limitation as to the number of positions at each of these grades. The present conditions in the Classification Act of 1949 requiring the approval of the Civil Service Commission of positions placed in grades GS–16 and GS–17 and requiring the approval of the President of positions placed in GS–18, would continue.

The Classification Act of 1949 specifically provides a ceiling of 400 on the number of positions that may be authorized at grades GS–16, 17, and 18. The act provides for 25 positions at GS–18, 75 at GS–17, and 300 at GS–16. We are in accord with the provisions of section 102 (b) of S. 2665 to raise the ceiling to 700 and to eliminate all limitations on numbers allowed at each of these grades.

At present, 465 positions in grades GS–16, 17, and 18 have been authorized in addition to those specifically provided by the Classification Act. These are authorized for given agencies and programs through the Defense Production Act and various reorganization plans and appropriation acts. These positions are

provided to meet particular special needs and would not be affected by the proposed general legislation.

An increase in the number of positions at grades GS–16, 17, and 18 is necessary in the interests of Government program requirements, sound and equitable pay administration, and accurate position classification. The Civil Service Commission recently asked for agency estimates of their need for positions at these grades. Approximately 700 additional positions were requested by the Federal agencies involved. Initial Commission review indicates that at least 300 of the requested positions warrant classification above grade GS–15 on the basis of their duties and responsibilities.

Almost half of the requested additional positions are in the fields of engineering and scientific research; many others include the heads of important administrative organizations, or are key Government positions in such fields as law, accounting, statistics, and economics. The provision of appropriate pay rates for these positions would help place the Government in a fair competitive position with private employers for shortage skills, and assist in the retention of top-level personnel.

None of the 300 positions which warrant classification above grade GS–15 can be placed in the correct grade because of the present Classification Act ceiling. Thus the present ceiling actually is contrary to the policy of equal pay for substantially equal work expressed by Congress in the Classification Act. This creates serious pay inequities among employees, some of whom receive considerably less pay than their work assignments call for.

The limitation on numbers of positions at each grade over GS–15 also hampers effective administration and correct classification of jobs. For example, although a position warrants classification at grade GS–18 it may be impossible to place it in that grade because the quota for grade GS–18 positions is filled. As a result the position must be placed in grade GS–17, or even GS–16, depending on the availability of spaces in these grades. Under this proposal, the Civil Service Commission would continue to maintain close control on the number of positions at each grade through prior review and approval of every classification action above grade GS–15.

We estimate that the salary cost of placing 300 additional positions in grades above GS–15 would approximate $550,000 a year.

(*c*) *Provision for longevity increases in grades GS–11 through GS–15*

Section 102 (h) of S. 2665 would authorize longevity-step increases for employees in grades GS–11 through GS–15. We believe this proposal is sound. Longevity-pay increases are now limited to employees at grades GS–10 and CPC–10 and below. Approximately 11 percent of the Classification Act employees are above these grades. The incentive provided by longevity pay increases is as essential in grades GS–11 to GS–15, where opportunities for advancement are more limited, as it is in the lower grades.

At present, about 13,000 employees in grades above GS–10 are at the top of their grades. Not all employees at the top of their grades are eligible for longevity-step increases and some are eligible for more than one such increase. We estimate that about 8,000 employees over grade GS–10 might now qualify for longevity step increases. On this basis, the first year cost of the proposed legislation for employees in the executive branch would be approximately $1,585,000; in the following year the additional cost would be substantially reduced.

(*d*) *Authorization to the Civil Service Commission to make temporary adjustments of minimum pay rates to recruit and retain needed personnel*

Section 102 (j) would authorize the Commission to use one of the within-grade salary steps as the minimum rate for certain Classification Act jobs whenever necessary to fill positions that could not otherwise be filled. We endorse this legislative proposal. The Commission's recruiting experience indicates that for certain types of jobs in specific localities it is sometimes impossible to obtain persons who will accept Government employment at the minimum rate of the appropriate Classification Act grade. Where this is true, in the interests both of recruiting and retaining qualified workers, the Commission should be able to set a proper within-grade salary rate as the official minimum rate for given positions in specified agencies and localities.

Pay above the minimum rate would be authorized only where absolutely necessary to recruit and keep employees who cannot be obtained at the minimum rate. These within-grade rates would be reexamined periodically and reduced to the minimum rate of the grade as soon as recruitment conditions allowed.

TITLE II

Title II of S. 2665, which amends the Federal Employees Pay Act of 1945, as amended, includes the following items: (*a*) Compensation for overtime work, (*b*) call-back overtime pay, (*c*) time in travel status, (*d*) pay for nightwork, (*e*) compensation for holiday work, (*f*) special provisions for certain types of work, (*g*) limitation on premium compensation, and (*h*) scheduling tours of duty.

(*a*) *Compensation for overtime work*

Section 202 (b) would provide for (*a*) overtime pay at a time-and-one-half rate for employees at salaries up to the top rate of grade GS–9, now $5,810 a year, (*b*) overtime pay at a rate equivalent to time-and-one-half at the top rate of grade GS–9 for employees above that salary level, and (*c*) an increase in the ceiling on aggregate pay (regular salary plus premium pay) to the top rate of grade GS–15, now $11,800. The Commission favors these proposals.

Under the present Federal Employees Pay Act, the time-and-one-half rate applies only to salaries of $2,980 and below. Extending the time-and-one-half rate to salaries above $2,980 is necessary to maintain a reasonable degree of consistency with the original intent of the act, standards set for industry by Federal laws and regulations, and existing practices of American industry. Under present salary schedules, $5,810 would be the maximum salary to which the time-and-one-half rate would apply.

For employees whose salaries are now above $5,810, the bill would set a fixed dollar-and-cents hourly rate of overtime pay, equal to the time-and-one-half rate on a salary of $5,810, the top rate of grade GS–9. Overtime pay above grade GS–9 is essential to maintain reasonable differentials in aggregate pay rates between employees and their supervisors when the workweek is extended, for example, to 48 hours. The Federal Government does not have available the devices used by American business to meet this need, such as lump-sum salary adjustments and various kinds of bonuses.

Section 202 (c) would give agency heads the option of granting compensatory time off instead of overtime pay for irregular or occasional overtime duty performed by employees whose salaries are above the top of grade GS–9. This would provide needed flexibility to agency heads who do not now have this option.

(*b*) *Call-back overtime pay*

Section 202 (d) of this title would guarantee a minimum of 2 hours' pay at the overtime rate for any employee called in for overtime work on a nonwork day or during off-duty hours. This would be generally consistent with industry practice, and would protect employees from being called in for assignments of such short duration that pay for only time on duty would be grossly inadequate compensation for the inconvenience. The Commission endorses this provision.

(*c*) *Time in travel status*

Section 202 (d) of this title would provide that time spent in a travel status away from the official-duty station of any officer or employee shall be considered as hours of employment only when (*a*) within the days and hours of such officer's or employee's regularly scheduled workweek, including regularly scheduled overtime, or (*b*) the travel involves the performance of work while traveling or is carried out under arduous conditions. This section would enact into law the principles currently expressed in rulings of the Comptroller General on overtime of employees in a travel status. The Commission endorses this provision.

(*d*) *Pay for nightwork*

Section 202 (e) would permit employees whose regular tour of duty includes nightwork to be paid night differential for periods of absence with pay during such hours due to holidays, and for periods of leave with pay totaling less than 8 hours during any pay period. At present employees receive night differential only for hours actually worked. This provision would eliminate administrative costs occasioned by the excessive paperwork necessary to make the many minor payroll changes required by the existing statute.

Section 202 (e) also would permit agencies to change the night differential period at overseas posts to the extent necessary to permit conformance with customary local hours of business without paying night differential. For example, customary local hours of business in a tropical country may extend to 8 p. m., to take advantage of the cooler hours of the day. In this case, under the provisions of this section, agencies could limit the night differential period to hours after 8 p. m.

The Commission favors the proposals contained in section 202 (e).

(*e*) *Compensation for holiday work*

Section 202 (f) of the title would provide that additional pay for holiday work would be at the same rate as the regular overtime rate, which is one and one-half times the employee's basic compensation, and establishes a minimum compensation of 2 hours for such holiday work. The Commission does not favor the provision increasing the aggregate compensation for holiday work until such time as a study is made on the possible policy and cost impact of such an increase on those employees who are not covered by the Federal Employee Pay Act.

We do, however, favor the provision establishing a minimum of 2 hours' compensation for work performed on holidays. Such compensation would be at the present rate of holiday pay, and would be consistent with the minimum guaranty of 2 hours' pay for overtime work performed on a nonwork day or during off-duty hours contained in section 202 of this title.

The following substitute amendment is suggested, which would continue the present rate of holiday pay, establish a 2-hour minimum at the present rate, and change the language to conform with language used to describe premium pay in other sections of the title:

> "(f) Section 302 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:
>
> " 'SEC. 302. (a) All work not exceeding eight hours, which is not overtime work as defined in section 201 of this Act and which is performed on a holiday designated by Federal statute or Executive order, shall be compensated at the rate of basic compensation of the officer or employee performing such work on a holiday plus premium compensation at a rate equal to such officer's or employee's rate of basic compensation. Any officer or employee who is required to perform any work on such a holiday shall be compensated for at least two hours of such work, and any such premium compensation due under the provisions of this section shall be in addition to any premium compensation which may be due for the same work under the provisions of section 301 of this Act providing premium compensation for nightwork.
>
> " '(b) Overtime work, as defined in section 201 of this Act, on Sundays and such holidays shall be compensated in accordance with the provisions of such section 201.' "

(*f*) *Special provisions for certain kinds of work*

Section 202 (g) of the title would provide that employees with long tours of standby duty may receive additional annual pay at rates up to 25 percent of their base pay rate. Like overtime pay for other employees, the additional annual pay would be computed on only the first $5,810 of an employee's basic salary rate and would be subject to the ceiling of the top of GS–15 (presently $11,800) on aggregate pay. The additional annual pay would take the place of all other overtime, night, and holiday pay. Because they would already be on duty for 48 or more hours a week, as a rule, these employees would not be affected by any extension of the Federal workweek.

Also, section 202 (g) would provide additional annual pay, not in excess of 15 percent of base pay rates, for employees whose hours of work are not subject to the usual administrative control and whose duties require subtantial amounts of unscheduled overtime, night, and holiday work. To maintain consistency with other overtime compensation, the additional annual pay would be computed on only the first $5,810 of any employee's basic salary rate and would be subject to the ceiling of the top GS–15 (presently $11,800) on aggregate pay. The additional annual pay for such employees would take the place of other pay for unscheduled overtime work and for night and holiday duty. These employees, in addition, would receive overtime pay on the same basis as other employees when the workweek is extended, for example, to 48 hours.

The two special types of Federal employment covered by this section do not fit well within the standard overtime-pay provisions. Some employees, such as firefighters, are on duty for long periods but are in a standby status for much of their time on duty, at their stations ready to answer any calls but not performing actual work. Hours of work of certain other employees, such as investigators of criminal activities, cannot be controlled administratively in the usual way. Such assignments as trailing suspected criminals require substantial amounts of unscheduled overtime work and night and holiday duty. While the Federal Employees Pay Act presently includes these two groups under its hourly premium pay provisions, serious administrative problems have been caused by the large amount of irregular overtime or standby duty required of these employees.

The Commission supports the proposals in section 202 (g). Additional compensation on an annual basis for these two groups would be easy to administer,

fair to the Government, and equitable for the employees covered. The latter would be especially true for those investigators whose peculiar working conditions now frequently require substantial amounts of overtime work without any pay at all, and for those employees who are required to perform a large amount of standby duty.

(*g*) *Limitation on premium compensation*

Section 202 (h) increases the ceiling on base pay plus overtime pay from the present amount of $10,330 (the previous top of GS–15) to the top rate of GS–15 (at present $11,800). The proposed ceiling would then conform with the ceiling used for such other purposes as the proposed extension of longevity rates and rates for Government experts and consultants.

(*h*) *Tours of duty*

Section 202 (i) would include a statutory statement of policies on work schedules of employees covered by the act. The policies expressed would be followed except where an agency would be seriously handicapped in carrying out its functions or costs would be substantially increased. The statement would require weekly tours of duty to be scheduled in advance; on 5 days of the week; Monday through Friday if possible; the 2 days off to be consecutive; the same working hours each day; workdays not in excess of 8 hours; that the basic workweek not be shifted to avoid holidays; and that work schedules not include split shifts with a break of more than 1 hour.

It is recognized that some Government activities, such as operation of hospitals, weather services, and airways communications and flight control, require Sunday duty. Others, such as construction inspection, which are necessarily synchronized with hours of contractors or other business establishments, may require more than 8 hours of work on some days, and cannot always be scheduled in advance. In these and similar circumstances, the Government should be permitted to schedule unusual tours of duty for employees whenever operating requirements do not permit normal work schedules, without being penalized by having to pay premium pay rates solely because of the deviation from the usual tours of duty. However, we believe also that employees should be assured that they will not be assigned to undesirable tours of duty unnecessarily. The proposed section will accomplish this objective and is favored by the Commission.

TITLE III

Title III of S. 2665, which establishes a new "Government Employees' Incentive Awards Act," consolidates all authorities for all types of awards, places direction of the Governmentwide incentive awards program with the Civil Service Commission, and provides for other improvements in the Government's incentive awards systems. The Civil Service Commission strongly favors the enactment of this proposed legislation which should make possible even greater benefits in savings and improved operations than have resulted from the awards programs now in operation.

By consolidating existing laws authorizing incentive awards, S. 2665 would simplify administration of a coordinated Governmentwide program. The bill would also remove another obstacle to effective management by making the Civil Service Commission responsible for direction of the entire Government's incentive awards program. At present, this responsibility is diffused. We agree that the Civil Service Commission is the logical agency to administer the program which is primarily a personnel management function.

S. 2665 would expand the coverage of the awards program. At present, for example, employees paid under wage board authority and under the Postal Pay Act are not eligible for awards authorized under the Classification Act of 1949. We endorse the provisions to make awards available to all employees. We also agree with the provision for making awards on the basis of Governmentwide savings and on savings in an agency other than the one in which the award winner is employed.

We concur with the provisions of S. 2665 to remove present statutory limits on total agency suggestion awards and individual awards. These statutory limits have the undesirable effect of restricting the number and dollar value of awards which can be made for worthwhile suggestions.

We strongly endorse the provisions for Presidential awards in section 304 (b) of S. 2665. This would provide a valuable incentive to improved employee performance and would increase public understanding of the work of the Federal service.

S. 2665 would eliminate salary increase awards and authorize cash awards in their stead. This is a desirable change which would avoid the inequities now resulting from awards scaled according to base pay rate rather than according to achievement.

Elimination of salary increase awards requires repeal of all of title X of the Classification Act except the first selection. This section deals only with the Government's management improvement program and does not mention awards. To reflect this fact, we recommend that the heading of title X be amended to eliminate the words "and awards."

S. 2665 would correct inequities in present statutory authorities covering awards for inventions. These authorities apply to different employee groups, and do not afford uniform treatment. In some cases private relief bills have been used to provide rewards for employee inventors. Under S. 2665, inventions would be covered under a governmentwide incentive awards program.

The proposed legislation would provide comprehensive authority for invention awards throughout the Federal civilian service. Under the bill, the Tennessee Valley Authority, like other agencies, would not need its present invention awards authority. To repeal this remaining separate authorization in the interests of complete and clean-cut consolidation of incentive awards law, we recommend that section 305 of the bill be amended by the addition of a paragraph to read as follows:

"(h) The second proviso clause in section 5 (i) of the Act of May 18, 1933 (16 U. S. C. 831d (i))."

To correct an apparent typographical error, we recommend that the letter "s" be stricken from the word "heads" in line 12 on page 20 of the bill.

TITLE IV

Title IV of the bill, cited as the "Federal Employees Uniform Allowance Act," provides for an allowance for uniforms to civilian employees of the United States who are required to wear uniforms in the performance of their duties. The Commission does not favor this proposal at the present time. A study by the Bureau of the Budget in 1951 indicated that 270,000 civilian employees were required to wear uniforms. Since the allowance for the purchase and maintenance of uniforms would be an amount up to $100 per annum, the annual cost of this bill would be substantial. Weighing the benefits to be derived from this legislation against the President's policy of curtailing expenditures wherever possible, we do not recommend such legislation at this time.

TITLE V

Title V of S. 2665 would repeal section 1310 of the Supplemental Appropriation Act, 1952 (Public Law 253, 82d Cong.), as amended by section 1302 of the Third Supplemental Appropriation Act, 1952 (Public Law 375, 82d Cong.). The present legislation places a number of restrictions on personnel actions within and outside the competitive civil service for the duration of the emergency proclaimed by the President on December 16, 1950. The Commission strongly endorses the action proposed in title V of S. 2665.

We believe that the specific and precise requirements presently spelled out in section 1310 of the Supplemental Appropriation Act, 1952, as amended, have brought about an unfortunate rigidity in Federal personnel management. This rigidity has resulted in red tape and complexity, increased the cost of personnel management, and created inequities for many employees in the Federal service.

Although the original provisions of this legislation have been amended twice, new problems have always arisen as a result of the amendments. Other problems in the original provisions have not been taken care of by the amendments. The Commission has made every effort to administer this personnel legislation in as practicable a manner as possible. However, it has not always been able to allow that flexibility in personnel management which might seem to be in the best interests of the service and in accord with the intent of Congress because of the precise language used in the legislation.

In summary, our views are that an attempt to spell out precisely by legislation the administrative steps to be taken in the field of emergency personnel management has not been successful; and that the greatest need in this emergency situation is to provide the President with the flexibility necessary to meet the overall objectives of Congress by administratively adapting personnel procedures to changing circumstances.

The Bureau of the Budget has advised us that it has no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,

JOHN W. MACY, Jr.
(For and in absence of Philip Young, Chairman).

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., February 19, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: This will acknowledge receipt of your letter of January 19, 1954, requesting the views of this office with respect to S. 2665, a bill to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

Title I of S. 2665 would amend the Classification Act of 1949, as amended: (1) To provide for compensation on a prevailing locality rate basis of certain crafts, protective, and custodial positions now subject to the act; (2) to consolidate the remaining positions of the crafts, protective, and custodial schedule of the act with those of the general schedule; (3) to increase from 400 to 700 the number of positions authorized to be placed in grades GS–16, 17, and 18, and to remove the restriction on the number of positions which may be placed in each of these grades; (4) to permit establishment of entrance rates higher than the minimum rate of the grade for positions in shortage categories; and (5) to authorize longevity step increases in grades GS–11 through GS–15. This office favors the objectives sought by the provisions of title I.

Title II of the bill would amend the Federal Employees Pay Act of 1945, as amended, to revise the overtime, night, and holiday pay provisions of the act and to add new provisions with respect to premium pay for standby service and for irregular and unscheduled overtime duty. This office generally favors the objectives of title II. Establishment of a uniform premium pay plan including full time-and-one-half overtime rate for employees in all Classification Act grades through the maximum of GS–9 would be desirable. It is the view of the Bureau of the Budget that this premium pay plan should ultimately control premium pay for all employees whose base pay is established under the Classification Act. As to holiday pay, establishment of a premium pay rate that would result in the payment of 2½ days pay for 1 day's work performed on a holiday is not endorsed. We recommend, in lieu of this provision in S. 2665, approval by the committee of language which the Civil Service Commission is submitting for your consideration.

Title III would establish a new incentive awards program on a government-wide basis, with responsibility for administration centered in the Civil Service Commission, by consolidating into one basic statute existing awards authorizations contained in the Classification Act and in several individual agency authorities. This office favors the objectives of title III.

Title IV, cited as the Federal Employees Uniform Allowance Act, proposes a cash allowance of $100 for each employee required by law or regulation to wear a uniform in the performance of official duty, under regulations prescribed by the Director of the Bureau of the Budget. This office recommends against favorable consideration of this and other similar pending proposals at this time.

Title V of the bill proposes the repeal of the current restriction on appointments and promotion contained in section 1310 of the Supplemental Appropriations Act, 1952. This office favors such repeal.

Sincerely yours,

ROWLAND HUGHES, *Acting Director.*

DEPARTMENT OF AGRICULTURE,
Washington, D. C., March 2, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate.

DEAR SENATOR CARLSON: This is in reply to your request of January 12, 1954, that the Department express its views on S. 2665, a bill to amend the Classification

Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

TITLE I

The important provisions of title I, which is to be cited as the Classification Act Amendments of 1954, are—

(1) Those abolishing the CPC schedule and establishing the General schedule (GS) as the single basic pay scales of the Classification Act;

(2) Those which will have the effect of transferring building and maintenance jobs to the prevailing rate system;

(3) The provisions increasing the number of positions that may be placed in the so-called supergrades, GS–16, 17, and 18, from 400 to 700;

(4) Those raising the limit for longevity step-increases from GS–10 to GS–15; and,

(5) Those which will authorize the Civil Service Commission to establish a rate above the minimum of the grade as the in-hiring rate in areas or locations where the difficulty of finding a sufficient number of qualified eligibles without doing so may justify such action.

The Department favors establishment of a single pay scale as proposed in the bill. Such a scale should be administered so as to permit as few exceptions as possible. At the same time, in view of the large number of other similar jobs already being paid in accordance with local prevailing rates, we would not object to the amendment under which building and maintenance jobs now under the CPC schedule would be transferred to the prevailing rate system. An estimated total of 1,500 full-time jobs at over 400 locations would be affected in this Department. We believe that eventually, some solution will have to be found for the problems that constantly arise over discrepancies in Classification Act rates for administrative personnel as compared with prevailing rates for blue-collar workers at locations where the two work in close proximity. This problem is intensified as coverage of the prevailing rate system is extended. If the proposed transfer of additional jobs to that system is approved, then we trust that a proviso like the one at the end of section 102 (a) of the bill will be retained so that it will be possible thereafter to fix Classification Act rates administratively for trades and labor jobs in those areas where they exist in such small numbers as to make prevailing rate determinations impracticable.

We endorse an increase in the number of supergrade positions allowed for the Government as a whole. The present allocation to the Department is considerably below existing needs.

The remaining provisions of title I appear to be desirable as steps to improve the Federal pay structure and assure proper and efficient administration of basic rates.

TITLE II

Title II of the bill would raise the limit under which true time and one-half for overtime is paid from the present $2,980 per annum to the maximum rate of grade GS–9 (currently $5,810 per annum). It is recommended that this change be approved since it will help correct the situation under which employees in GS–7 and above now receive more for straight time than they do for overtime, and GS–4 secretaries receive more for straight time than supervisors in GS–12 and above receive for overtime.

With respect to the provision of title II that would enable heads of departments and agencies to require employees receiving more than the maximum scheduled rate of GS–9 to take compensatory time off, rather than cash payments, for irregular or occasional overtime work, a small amendment might be desirable. This provision is written to indicate that such employees shall be compensated "with not more than an equal amount of compensatory time off." Under such language it is possible that less than equal compensatory time off could be granted. It is recommended that the language be changed to read "with an equal but not greater amount of compensatory time off" to assure that such lieu time off will be granted on an hour-for-hour basis.

Under this title, the premium for worked holidays would be fixed to correspond to overtime pay so that employees would receive straight time and in addition the regular overtime premium if required to work on any such day. This change would give employees paid $8,560 or under more pay for worked holidays, and those paid over $8,560 slightly less pay, than they receive at the double-time rate under existing law. We suggest, in lieu of this provision, that the Committee approve language which the Civil Service Commission is submitting for your consideration.

This title also states the conditions under which time in a travel status is compensable, guarantees a minimum of 2 hours' overtime pay for callback overtime, and permits some time other than 6 p. m. and 6 a. m. to be designated as the beginning and ending of night tours of duty under certain conditions outside the District of Columbia and the 48 States. We feel that the first of these amendments, which would clarify the question of how much time spent in a travel status is compensable, should be approved. The minimum guaranty on callback overtime is a provision which this Department has recommended before. It is desirable to have such a provision in areas where, as in New York, employees may spend more time on the way to and returning from the place where the overtime work is to be performed than they will be required to spend on the work itself at such place. The amendment in regard to the designation of night tours covers situations with which this Department has had little if any experience, but we see no reason why the greater discretion that would be allowed under the proposed language should not be granted.

A further amendment under this title would change the provisions governing night pay differential with a view to enabling employees assigned to night work to be paid the 10 percent differential during absence on a holiday, provided the holiday was otherwise "with pay," and to receive the differential during periods of leave with pay up to 8 hours at night. It is our understanding that this change would bring Government practice into line with general industrial and commercial practice relative to night pay for the periods in question. Its approval also is therefore, recommended.

TITLE III

Title III repeals present laws dealing with incentive awards and substitutes a single authority for two major types of recognition, namely, honor and cash awards. Responsibility for issuing regulations is placed in the Civil Service Commission.

The effect of these changes is desirable since it assures uniformity in the application of the law to all employees, and uniformity in incentive awards and in the regulations governing the issuance of such awards.

It is not clear whether it is intended, under the provisions of the bill, to authorize the granting of length-of-service awards for longevity as is presently done under authority of Public Law 600, dated August 2, 1946. This Department has found that the granting of such awards recognizing long and faithful service is appreciated by employees and represents an important additional incentive to effective public service. Accordingly, it is recommended that the bill or legislative history clearly indicate an intention to authorize length-of-service awards. To accomplish this by amending the bill, we recommend, on page 19, line 8, the addition of the following sentence: "Honorary recognition may also be given to civilian officers and employees of the Government for long service."

If the committee prefers to reflect its intention in the legislative history, we recommend that the following statement appear in the committee report:

"The committee recognizes that under existing authority which this bill repeals, Government agencies are granting awards for length of service. It is the intention of the committee that this practice may continue under this bill."

TITLE IV

Title IV of the bill refers to only two groups of employees. One is the fire fighters and other classes of workers who are required to remain in a standby status for a substantial amount of their time on duty; the other group includes employees performing substantial amounts of unscheduled overtime, night, and holiday work where the hours of duty cannot be controlled administratively. The bill would authorize differentials up to 25 percent of base pay for the first group and up to 15 percent of the second. We believe this would provide a workable system which could be administered on the basis of regulations issued by the Civil Service Commission, or by the agencies with Commission approval.

Other provisions contained in title IV would preclude payment for overtime, night, or holiday work to employees whose basic or aggregate rate of pay would exceed the maximum scheduled rate of GS–15. The existing limitation is $10,330. Raising the limitation to the maximum indicated would place it approximately a grade higher than it is at present and would have the advantage of tying in to an actual rate, which the $10,330 under existing law fails to do.

This title also provides for a uniform allowance annually of $100 to defray the expenses of acquisition and upkeep of prescribed uniforms. The provision is desirable since employees who are required to wear uniforms frequently are at a

financial disadvantage in relation to other employees who do not have to bear such cost personally. However, in view of the President's desire to limit expenditures wherever possible, we do not recommend enactment of this provision at this time.

TITLE V

Repeal of section 1310 of the Supplemental Appropriation Act, 1952, as provided for in title V would be helpful in the recruitment and retention of desirable personnel. Inability to offer permanent appointment for most positions and restrictions on promotion have acted to deter prospective applicants from seeking Government employment.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE, *Undersecretary.*

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D. C., January 29, 1954.

Hon. FRANK CARLSON,
Chairman, Post Office and Civil Service Committee,
United States Senate.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of January 12, 1954, acknowledged by telephone January 15, enclosing a copy of S. 2665, 83d Congress, 2d session, and requesting my views and comments with respect thereto.

The bill contemplates certain amendments to the Classification Act of 1949, as amended, the Federal Employees Pay Act of 1945, as amended, and other legislation concerning matters which on the whole have been the subject of official and unofficial consideration throughout the Government over a period of several years. It is believed that, aside from its beneficial character from the viewpoint of employees, the bill provides for substantial improvements in Government administration. The bill, as drafted, reflects a careful study by the author, both as to the substance and form. It is recommended, however, that consideration be given to modifying the language of the proposed amendment of section 302 (a) of the Federal Employees Pay Act of 1945, as amended (p. 13, line 20 of the bill), to require as a condition to entitlement to holiday compensation that work performed on holidays be authorized or approved as in the case of overtime work.

Also, there are some matters which I would like to bring to your attention for consideration in connection with the bill. In construing the language of sections 203 and 603 (b) of the Federal Employees Pay Act of 1945, as amended, this Office felt impelled by the clear language of the latter section to rule in 26 Comptroller General 658, and again in Office decision of June 19, 1951, B-102754, to the Secretary of the Navy, that wage board employees compensated on a monthly or per annum basis—as distinguished from a per diem or per hour basis—are subject to the limitation of $10,000 (later increased to $10,330) prescribed by section 603 (b) of the act. That rule recently was reaffirmed in Office decision published in 33 Comptroller General 53. The departments and agencies employing large groups of wage board employees have expressed concern about the result of this ruling, in that in some instances per diem or per hourly wage board employees who perform overtime services receive compensation in excess of supervisory per annum or monthly wage board employees who work the same overtime hours, but are prevented from receiving compensation for any pay period at a rate in excess of $10,330 per annum by virtue of the limitation previously referred to. Of course that limitation would be raised to $11,800 by this bill, but the same situation might prevail in the future. If it be determined to eliminate this apparent inequity it could be accomplished by adding another sentence to the amendment to section 603 of the Federal Employees Pay Act of 1945, as amended, appearing on pages 16 and 17 of the bill, to read as follows:

"This section shall not apply to employees whose basic rate of compensation is fixed on an annual or monthly basis and adjusted from time to time by wage boards or similar administrative authority serving the same purpose."

Section 703 of the Classification Act of 1949, authorizing longevity step increases requires, among other qualifying conditions, 3 years of continuous service without change of grade or rate of basic compensation. In the current program of decreasing the level of Government employment, it is a necessary incident that numerous employees be demoted in grade. It not infrequently happens that,

at the time of demotion, an employee has served 1 or more years in the maximum scheduled step or one of the longevity steps of his higher grade. Under existing law credit for such service is lost because of the change of grade or rate of basic compensation incident to the demotion and the employee, if he be placed in the maximum scheduled step or a longevity step of the lower grade, must again begin to serve the required 3-year period before he qualifies for a longevity step increase in the lower grade. It is not too evident that the provisions of existing law in that respect are consistent with the purpose and intent of the Congress in providing for longevity benefits. It is suggested that you may wish to have this situation corrected by the present bill.

Another situation which it is deemed pertinent to invite to the attention of the committee concerns the practice in some of the departments and agencies of requiring certain specialized employees to remain in a standby status at their homes instead of their place of work. It is understood that this practice originated in order to avoid the additional cost of keeping employees on the job to repair and maintain complicated electronic equipment and paying them overtime compensation since they might be needed only for a short period of time during a particular shift. If called back to duty such employees now are paid overtime compensation only for the period actually worked and if not called receive no compensation whatsoever. The employees apparently have objected to this arrangement and while the provision in the bill for a minimum of 2 hours of overtime compensation for employees called back to duty will help to alleviate the situation, it may be the committee would desire to recommend that some form of compensation—preferably to be authorized in the discretion of the agency—be provided for employees who are requested to remain in a standby status at home which could be similar to that now contained on pages 14 and 15 of the bill with reference to employees remaining in a standby status within the confines of their official stations.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE,
LEGISLATIVE AND PUBLIC AFFAIRS,
Washington, D. C., February 24, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate.

DEAR MR. CHAIRMAN: This is in response to the request for the views of the Department of Defense on S. 2665, a bill to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

The Department of Defense strongly urges the enactment of S. 2665. The major features of S. 2665 long have been advocated by the Department of Defense as necessary to eliminate many existing difficult administrative problems, inadequacies in premium compensation, and a confused system of incentive awards.

Title I, section 102, amending section 202 (7) of the Classification Act of 1949, as amended, and title I, section 103, are considered of major importance to the Department of Defense. Section 102 would exempt from the Classification Act of 1949 certain employees in the crafts, trades, and other positions, and require that such employees be paid, where appropriate, in accordance with prevailing rates. Title I, section 103, would abolish the crafts, protective, and custodial schedule in the Classification Act and transfer to the general schedule those employees and positions now under the CPC schedule which are not exempted from the Classification Act by this legislation. Both these provisions are strongly supported by the Department of Defense and our views concerning the necessity for this legislation are fully set forth in a letter to you dated January 13, 1954, in support of S. 2302, a bill which is substantially similar to title I, sections 102 and 103 of S. 2665.

By way of technical comment it is believed that the second proviso to paragraph (7), section 205 of the Classification Act (beginning at line 15, p. 2 of S. 2665), should contain a statement to indicate that employees paid thereunder will be considered to be employees subject to the Classification Act for all purposes. This can be accomplished by adding the following language at the end of the proviso at line 23, page 2 of S. 2665: "and in such cases the employees affected shall for all purposes be considered as being subject to the Classification Act of 1949."

With reference to page 3, paragraph (c) of the proposed amendment to section 505 of the Classification Act, it is this Department's opinion that grades GS–16, 17, and 18 are a regular part of the general schedule to which positions are allocated in accordance with the allocating factors and principles set forth in the Classification Act of 1949. It is, therefore, inconsistent with the principles of that act to establish an arbitrary ceiling on the number of positions which may be placed in these grades, regardless of the number of positions which proper classification would require be placed in these grades. For this reason, we should like to see all reference to a ceiling on grades 16, 17, and 18 eliminated. If, however, it is considered necessary that some special control should be placed on the number of positions in GS–16, 17, and 18, it is urged that this control be placed in the President, and that he be authorized to establish an appropriate ceiling based upon a survey of the needs of the Federal Government for such positions. This procedure would permit the establishment of realistic ceilings, which could be changed from time to time to meet changing requirements of the service, and would make unnecessary requests to the Congress for special legislation authorizing additional supergrades almost as soon as a statutory ceiling is established. With respect to the statutory ceiling of 700 positions proposed in section 505 (c), it is assumed that this number would be in addition to the number of such positions now authorized by special legislation. In other words, it is assumed that the figure of 700 represents a proposed increase by 300 of the present figure of 400 contained in this section of the Classification Act, and that these 700 positions would not include any now authorized by special legislation, such as section 806, Public Law 207, 83d Congress, which provides authority for 180 positions in the Department of Defense. Any contrary interpretation would result in a decrease in the number of grade 16, 17, and 18 positions now existing, since this number is estimated to be around 900. To assure that the proposed revision of section 505 (c) has the effect of increasing rather than decreasing the number of these positions in the Federal service, it is suggested that the words "under authority of this section" be inserted after "time" in line 10 on page 3.

With regard to the amendment of section 604 of the Classification Act contained on page 4, it is recommended that the word "may" on line 19 be changed to "shall" to leave no question as to the intent of Congress and to be consistent with section 106, page 9 of S. 2665.

The proposed amendment of section 703 (b)(1) contained on page 5 of S. 2665, making employees holding positions up to and including GS–15 eligible for longevity step increases, is recommended for enactment since there appears to be no valid reason for denying employees above GS–10 longevity increases. It is suggested, however, that section 703 (a) also be amended so that the present phrase "without change of grade or rate of basic compensation" be deleted and the following substituted: "without an equivalent increase in compensation from any cause." This change is recommended to correct what is probably an inadvertent inequity as regards employees who suffer a change to lower grade. Under the present wording of section 703 (a) an employee who is changed to a lower grade is prevented from receiving a longevity step increase if otherwise eligible until he has served for 3 years at the maximum of the lower grade. It is understood why an employee should serve an additional 3-year period after he has received an increase in compensation but it does not appear logical that this requirement should apply to a change to lower grade which, in many cases, involves a lower rate of pay.

The amendments to section 803 contained on page 6 represent a most desirable change in the Classification Act by providing for some flexibility in the in-hiring rates when tight labor market conditions make adjustments in those rates necessary. Section 801 of the Classification Act reads "All new appointments shall be made at the minimum rate of the appropriate grade." This requirement makes it extremely difficult for the Government to compete with private industry in certain geographical areas in obtaining occupational specialties which are in short supply. This condition, for example, exists at the present time in the case of engineering aids, dental technicians, tabulating equipment operators, and draftsmen.

The salaries paid by the Government to employees in these positions compare favorably, in general, with the nationwide average salary. In some localities, however, prevailing rates are somewhat higher than the minimum rates established for these positions under the Classification Act. Pursuant to the proposed legislation, the Civil Service Commission in such instances could raise the minimum rates to higher step rates in these grades until the entrance rates are in accord with

prevailing local rates. This would permit the Government to compete on fairly equal terms for the services of qualified personnel.

The principle incorporated in this proposal has been successfully employed by the Army and Air Force for a number of years in administering wages for personnel not subject to the Classification Act. Under the latter system, a procedure exists whereby installations may seek the approval of in-hiring rates above the minimum established in regular locality wage schedules when these installations experience serious difficulty in recruiting personnel for specific ungraded jobs because the authorized rates for these positions are not in keeping with the prevailing wage rates in the locality. The number of cases approved for in-hiring above the minimum under this procedure has not averaged more than a fraction of one percent of all ungraded positions within the two Departments. However, it should be noted that compensation schedules for ungraded positions are based upon prevailing wage rates determined by periodic locality wage surveys as opposed to the nationwide pay schedule for Classification Act positions. This serves to minimize the number of cases which warrant rates above the minimum.

The Hoover Commission, in recommendation No. 17 of its report on personnel management, recognized the need for greater flexibility in the Federal pay structure and recommended that the hiring rate for any kind of work in any grade should be adjusted so as to meet current employment trends.

World War II demonstrated the results of an inflexible system which would not permit reasonable adjustments to meet competitive wage rates in certain local recruiting areas where a shortage existed in particular occupational specialties. Due to personnel losses attributable to more favorable job opportunities in private industry, supervisors were continually faced with serious difficulty in securing and retaining competent trained personnel.

Precedent exists for this legislation in section 8, War Overtime Pay Act of 1943 (57 Stat. 77), which authorized adjustments where disparity in alinement existed between the wage rates of supervisors occupying Classification Act positions and wage board employees under their supervision.

The authority granted by section 803 to the Civil Service Commission to establish rates above the minimum should be sufficiently flexible so that in a given area only those installations desiring to raise their in-hiring rates will be required to do so. In most circumstances the shortage of personnel requiring a raise in the in-hiring rate will be general throughout an area. In some areas, however, situations may arise where an installation, because it is located away from transportation facilities or because of other reasons, has difficulty in attracting qualified personnel and may need to raise its in-hiring rates while those more favorably located may not wish to do so. We assume that the wording of section 803 (a) does provide for this flexibility. In the event, however, section 803 (a) is not so interpreted it is recommended that the wording be revised.

Title II, "Premium Compensation" contains very desirable amendments to the Federal Employees Pay Act of 1945 and will serve to bring Federal pay practices with regard to premium compensation for work in excess of 40 hours, call-back overtime, and night and holiday work, more in line with the treatment accorded employees in private industry. The Department of Defense urges the enactment of these provisions with the following recommended modifications:

1. The Department of Defense is opposed to that portion of the proposed amendment of section 302 of the Federal Employees Pay Act of 1945, as amended, starting on line 20, page 13, through the word "Act" on line 6, page 14. This amendment would increase the present double-time payments for holiday work to 2½ times the rate of basic compensation for those employees whose rate of basic compensation does not exceed the maximum scheduled rate for GS–9. The Department of Defense considers that the present double-time rate is adequate compensation for work on holidays and that the proposal to increase this compensation is both unnecessary and costly. Accordingly, it is recommended that the proposed amendments to section 302 be revised so as to provide for not more than double time for nonovertime work on a holiday.

2. With regard to the proposed amendment to section 604 of the Federal Employees Pay Act of 1945, the phrase "except where he determines such organization would be seriously handicapped in carrying out its functions or that costs would be substantially increased" contained on page 17, lines 15 through 17, is not considered to be a sufficiently broad description of the exceptions to the normal tour of duty which may be necessary in the military departments. It is believed that exceptions to a normal tour of duty are warranted not only when they constitute a serious handicap in carrying out an assigned function or when a substantial increase in costs is involved but also under other circumstances. For example,

in some foreign countries in order to operate an office or installation in a manner consistent with local customs it is necessary to establish tours of duty that are normal for that country. For example, the normal tour of duty in Spain is from 9 a. m. to 1 p. m. and 4 p. m. to 7 p. m., with a 2-hour break in working hours. Accordingly, it is suggested, that the phrase quoted above be deleted and the following substituted: "except where he determines that deviations are necessary in order to carry out the functions of his organization efficiently and economically."

Title III, "Government employees' incentive awards," pages 18–21 of S. 2665 is highly desirable and necessary legislation. The principal difficulty with incentive awards in the Federal Government is that there are too many complex and conflicting programs, with some applicable only to employees subject to the Classification Act and not to wage board employees, with differing limitations on the amounts of awards which may be made, and with irrational and inadequate scales of awards. The inadequacies and inconsistencies of the present system of awards, it is believed, are correctly set forth in Senate Report 2101, 82d Congress.

Title III of S. 2665 would fully correct the existing inadequacies and consolidate into one logical act an incentive awards program for the Federal Government. It eliminates the present split responsibility between the Civil Service Commission and the Bureau of the Budget and logically fixes responsibility upon the Civil Service Commission for supervision of the program. The Department of Defense strongly urges the enactment of this title but suggests the following modifications:

1. On line 12, page 18, insert after the word "issued" the phrase "after consultation with the departments." Inclusion of this language will assure that the departments will have an opportunity to participate in the development of the regulations which will govern the operation of incentive-award programs.

2. On line 17, page 18, insert after the words "executive department," the words "military department" to assure that there will be no statutory limitations placed upon the authority of the heads of military departments to pay cash awards and develop and administer incentive-award programs

Title IV, "Uniform allowances," would provide an allowance of up to $100 per annum, for civilian employees of the United States who are required to wear uniforms in the performance of their duties. Weighing the benefits to be derived from this legislation against the President's policy of curtailing expenditures wherever possible, the Department of Defense does not recommend such legislation at this time.

Title V repealing section 1310 of the Supplemental Appropriation Act, 1952, is considered by the Department of Defense to be one of the most important features of S. 2665. The purposes for which the Whitten amendment was enacted have largely been served now that the period of rapid expansion of the Federal Government is over and it would appear appropriate for the Congress to repeal this provision at this time. The Whitten amendment has caused and continues to cause serious administrative problems. It is believed that Senate Document 30, 83d Congress, "Analysis of the Whitten Amendment," describes in detail the administrative problems and inequities which arise out of that provision of law.

Particularly burdensome has been the substitution in the Whitten amendment of time-in-grade requirements for basic qualifications and the establishment of arbitrary quotas for permanent promotions.

To date the Department of Defense has not found it feasible to make any permanent promotions in the Department of Defense within the limits currently authorized in the Whitten amendment. This decision not to make permanent promotions has stemmed from three basic factors:

1. Only a relatively small percentage of the employees in the Department of Defense eligible for permanent promotions could be given permanent promotions and in some grades few or no promotions at all could be authorized.

2. The administration of a program which would provide for permanent promotions for that relatively small percentage of employees eligible would be extremely complex and costly to operate because of the need to establish and maintain a complicated worldwide quota control system, because of the huge number of installations and employees involved, and because of the geographical dispersion of the installations which comprise the military departments.

3. Any program which could be devised to make permanent promotions would be arbitrary in nature, unfair to large numbers of employees both within installations and between installations, and could cause widespread employee concern and unrest.

The basic inequity to which employees of the Department of Defense are subjected cannot be corrected by a quota system of permanent promotions. This inequity arises out of the fact that the Whitten amendment holds back the

career employees of the Department from obtaining permanent promotions and at the same time encourages permanent transfers to the Department of Defense of employees from other agencies, the placement of separated career employees in permanent grades in the Department, and probational appointments of certain categories of employees. These actions all combine to limit the opportunities of career employees in the Department of Defense for permanent promotions to such an extent that repeal of the Whitten amendment appears to be the only means for fairly resolving the problem.

The Department of Defense considers title V of major importance to sound administration and equitable treatment of employees and strongly urges its enactment.

The Bureau of the Budget has indicated that it has no objection to the submission of this report.

Sincerely yours,

RICHARD A. BUDDEKE,
(For the Assistant Secretary).

GENERAL SERVICES ADMINISTRATION,
Washington, D. C., March 5, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington, D. C.

DEAR SENATOR CARLSON: The following is submitted in response to your letter of January 19, 1954, by which you requested our views and comments on S. 2665, to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

TITLE I—AMENDMENTS TO THE CLASSIFICATION ACT OF 1949, AS AMENDED

This title provides for the elimination of the present CPC schedule of the Classification Act of 1949, and the fixing of the pay of trade, craft, and manual labor jobs, engaged in buildings maintenance and operation, in line with prevailing rates. An option is provided to permit Classification Act rates to be paid, subject to approval of the Civil Service Commission, in those areas where the number of jobs is so few as to make prevailing rate determinations impractical. This option could be used for our jobs in isolated operations such as at some of the border stations.

Title I also revises the limitation on the number of positions which may be allocated to grades GS–18, GS–17, and GS–16. The limitation has been raised from 400 to 700. Restrictions as to the numbers which may be allocated at each grade level, within the overall quota of 700, have been omitted.

Further, title I extends the longevity pay increases of the Classification Act to people in grades GS–11 through GS–15. It also authorizes the Civil Service Commission to adjust minimum rates of grades to attract eligibles for vacancies for which qualified personnel could not otherwise be obtained. The General Services Administration favors the enactment of all provisions of title I.

Prevailing rates for trade, craft, and manual labor jobs

As indicated in my letter to you dated June 30, 1953, giving our views and comments on S. 192, the payment of prevailing rates for trade, craft, and manual labor jobs engaged in buildings maintenance and operation, will eliminate the severe inequities which now exist. There are now approximately 770,000 trade, craft, and manual labor jobs in the Federal Government for which wages are fixed in accordance with prevailing rates.

On the other hand, there are approximately 69,000 Federal jobs in trade, craft, and manual labor occupations, engaged in the maintenance and operation of public buildings and associated equipment, the pay for which is currently required to be fixed in accordance with the craft, protective, and custodial schedule of the Classification Act of 1949. There are approximately 15,000 such jobs in the GSA. Placing these jobs on a prevailing rate basis will enable their pay to be fixed equitably with the much greater number of trade, craft, and manual labor jobs which are already being paid on this basis.

At the present, in some localities trade, craft, and manual labor workers, under the CPC schedule of the Classification Act, are receiving less than local prevailing rates, while other Federal workers having comparable duties receive prevailing rates. This discrimination is not only unjust and impairs employee morale

and productivity, but it is also confusing to private industry and the general public.

The present inequity between CPC and prevailing rates in many localities also creates other difficulties in the buildings management operations carried on throughout the country by the Public Buildings Service of the GSA. Well-qualified, skilled mechanics are not attracted to Federal employment in localities where the jobs for which they are needed are paid less than prevailing rates. The placing of all our trade and craft jobs on prevailing rates would materially aid us in the recruitment and retention of well-qualified employees.

In its survey of 42 GSA-operated public buildings, the National Association of Building Owners and Managers made the following comments and recommendation:

"PBS is required by law to pay the same wages throughout the country, without regard to local wage rates. As a result in many cities Government wages are higher than those paid by commercial buildings, while in a few they are less. Generally, the Government pays more for unskilled labor, such as janitors and elevator operators, that includes over 60 percent of PBS emlpoyees. For skilled labor, such as engineers and tradesmen, the Government wages are low and as a result PBS has difficulty securing good people in these classifications.

"Because of the Government policy of paying the same wages throughout the country—a matter of law which could only be changed by congressional action—PBS pays in these 42 buildings $3,100,000 per year in excess wages over local market prices. While it might not be possible or desirable to reduce wages of present employees BMA urges the advisability of a more realistic determination of wage schedules so that replacements and new employees can be hired in line with local employment conditions."

Enclosed is a copy of the report of the National Association of Building Owners & Managers. The information quoted above appears on pages 11 and 18 of the report.

There are several ways by which we think title I of S. 2665 should be strengthened. First we believe that section 105 should be expanded to include a clear authorization to the Civil Service Commission for the development and administration of a system which would assure federalwide coordination and consistency in the fixing of wage rates for trade, craft, and manual labor occupations. Such a system would provide uniform policies and procedures for the evaluation of jobs, coordination in the conduct of locality wage surveys, consistency in the analysis and interpretation of wage data, and the promulgation of locality wage schedules applicable to all Federal jobs in a community having comparable duties and responsibilities.

Based on past experience with trade, craft, and manual labor jobs already paid on a prevailing rate basis, unless an overall system is prescribed and developed, different agencies in the same locality will have different wage administration procedures affecting the same kinds of jobs, and different wage rates for such jobs will result. This situation would cause the benefits which title I of S. 2665 has been designed to produce to be materially diminished.

There is another way in which we feel that the benefits which title I of S. 2665 was designed to produce could be greatly enhanced. This would be accomplished by adding a provision for the fixing of wages for trade, craft, and manual labor employees in the postal field service, who are engaged in buildings maintenance and operation, on the basis of prevailing rates like that provided for employees of this and other agencies who have comparable duties and responsibilities.

At the present, postal field service employees engaged in the maintenance and operation of post office buildings are fixed by Public Law 134, 79th Congress, as amended. Public Law 134, as amended, provides more liberal salaries for many types of buildings operation and maintenance employees in the postal field service than are now provided for similar workers in this and other agencies who are paid under the CPC schedules of the Classification Act.

Placing CPC employees on a prevailing rate basis, without a similar provision for like employees in the postal field service, would only serve to intensify and complicate the present pay disparities between the two groups. We see no reason why locality wage schedules applicable to GSA carpenters, electricians, and laborers, engaged in the maintenance and operation of buildings, should not also apply to postal workers having similar duties.

We suggest that section 106 of title I of S. 2665, which saves the existing compensation of CPC people being placed on prevailing rates, so long as they continue to occupy the same position, be broadened to specify that compensation includes the present night differential rate now being received by such employees under the

Federal Employees Pay Act of 1945, as amended. If this is not done, it is possible that a night differential set for a particular job in line with prevailing industry practice, would be less than the employees now receive.

GS–18, GS–17, and GS–16 positions

We believe that, although the need for providing compensation for Federal officials commensurate with that paid executives in private industry has long been recognized as a matter of critical importance to the obtaining of the best talent possible for the conduct of the Government's affairs, there is much that must be done to implement this recognition in terms of actually making higher salaries available.

S. 2665, in raising the limitation on the number of positions which may be allocated to grades 18, 17, and 16 from 400 to 700, is a move in the direction of making such higher salaries available and one which we believe will redound to the betterment of the Federal service generally.

The omission of any restrictions, within the overall quota of 700, as to the number of positions which may be allocated at each of the three levels is also highly desirable. Grade-level quotas, such as those imposed by the existing law, cause inequities in the evaluation and grading of GS–18, GS–17, and GS–16 positions.

At the present, two positions of equal difficulty, responsibility, and importance may, because of the restrictions, have to be placed in different grade levels. A position that clearly warrants GS–17 may have to be allocated to GS–16 because of lack of GS–17 spaces. Without such restrictions it will be possible to classify GS–18, GS–17, and GS–16 positions more in line with the principle of equal pay for equal work.

There are a number of positions in the GSA which we strongly believe are allocable to GS–18, GS–17, and GS–16 which cannot now be correctly placed in these grades under the present Classification Act quota. This has resulted in some inequities in the allocation of our key positions which S. 2665 may make it possible to adjust.

Longevity increases for grades GS–11 through GS–15

Section 102 (g) of title I of S. 2665 extends longevity benefits to employees in grades GS–10 through GS–15. We favor this provision as we feel that increases for people who perform long, efficient, and faithful service in these grades should be entitled to the same rewards for such service as are presently provided for those in the lower grades.

Adjustment of minimum rates of grades

Authorizing the Commission to adjust the minimum rates of grades to attract qualified eligibles for positions which could not otherwise be filled, as provided by section 102 (j), will enable the Federal Government to obtain and retain qualified people without distorting the system provided by the Classification Act for the evaluation and grading of positions in terms of their relative difficulty, responsibility, and importance.

TITLE II—PREMIUM COMPENSATION

We have noted that title II of S. 2665, on all matters in which the GSA is concerned, contains provisions in line with the recommendations of the joint report of the Bureau of the Budget and the Civil Service Commission which was submitted to the Senate Post Office and Civil Service Committee early in August of 1951. In this respect, title II also incorporates the provisions on premium compensation which were included in S. 354 of the 82d Congress as favorably reported upon with amendments by the Senate Post Office and Civil Service Committee.

Our review of the Budget Bureau-Civil Service Commission report, and of Senate Report No. 843 of the 82d Congress, indicates that the present provisions of S. 2665 are based upon comprehensive study of premium pay problems throughout the Federal service and of premium pay practices in State and municipal government and private industry. In view of this and in consideration of our own experience, we feel that the enactment of title II will provide greater equity in payment of premium compensation to Federal employees, as well as alleviate a number of problems currently involved in the administration of the Federal Employees Pay Act of 1945, as amended.

TITLE III—GOVERNMENT EMPLOYEES' INCENTIVE AWARDS

We concur in the provisions of title III of S. 2665 to the extent it provides for a unification of the present several incentives programs into one system and the repeal of existing legislation. The providing of cash awards in lieu of superior accomplishment pay increases now authorized by section 702 of the Classification Act of 1949, as amended, is a more equitable method of compensating Government employees at all levels who, by their suggestions, inventions, or superior accomplishments, contribute to the improvement of Government operations.

The title also provides, however, that regulations and instructions governing department awards be issued by the United States Civil Service Commission. This provision is similar to one included in previously proposed legislation introduced as Senate bill S. 3492 of the 82d Congress. In a letter dated September 22, 1952, commenting on that bill, this administration replied as follows:

"We feel that the incentive awards program should in no way be separated from the goals of economical and efficient operation in the executive branch of the Government. By relating Federal incentive awards activities with the programs and responsibilities of the Civil Service Commission, as recommended in the report and as proposed by the bill, considerable of the potential worth of the awards program in assisting in the improvement of management in the respective department may not be realized. The great value of incentives in improving employee morale, in developing a more alert working force, and in leading to safer working conditions, is fully recognized by this administration. The incentives program, however, should be identified as neither a personnel nor a budgetary stimulant. For this reason, we advocate the omission of any provision in the proposed legislation which would place responsibility for the operation of the program in either the Civil Service Commission or the Bureau of the Budget. We feel that the location of the program should be left to the administrative decision of the President and that this should be so provided in the legislation."

Experience during the past year has shown that the GSA Incentive Awards System is becoming more and more an effective management improvement tool. We would not want to see any change made that might weaken this effectiveness.

TITLE IV—UNIFORM ALLOWANCES

The GSA has authority to purchase, repair, and clean uniforms for civilian employees of the GSA who are required by law or regulation to wear uniform clothing. It has been our practice to provide such clothing and upkeep by contract. In Washington, D. C., where the workload justifies, a number of tailors are employed for fitting and repairing.

It is suggested that section 402 of the proposed bill be modified to make the payment of a uniform allowance optional. It is suggested that after the word "duties," in line 3 on page 22, the words "and who is not being furnished with such uniform," be deleted and the following be inserted in lieu thereof: "shall be furnished with such uniform or."

GSA's authority to purchase, repair, and clean uniforms is contained in paragraph (1) of subsection 210 (a), Public Law 152, as amended. Prior to the passage of this legislation substantially similar authority was included in appropriation acts since 1928.

The optional language will permit flexibility in the program in that there are instances where the payment of an allowance in lieu of supplying the uniform would be in the best interests of the Government.

TITLE V—MISCELLANEOUS PROVISIONS

We strongly urge the enactment of this title which repeals section 1310 of the Supplemental Appropriation Act of 1952, as amended. We are convinced that this provision of law has outlived its usefulness. It tends to unnecessarily complicate present-day personnel operations, serves as a deterrent to the initiative of outstanding employees, impedes the establishment of a Federal career service, causes injustices in certain cases, and does not produce any benefits commensurate with its cost to the Federal service.

In closing I wish to thank you and your committee for requesting our views and comments on S. 2665. If we can be of further service, let us know.

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

Cordially yours,

EDMUND F. MANSURE, *Administrator.*

UNITED STATES DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington 25, D. C., March 18, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington, D. C.

MY DEAR SENATOR CARLSON: A review has been made of S. 2665, a bill to amend the Classification Act of 1949, as amended, and the Federal Employees' Pay Act of 1945, as amended, and for other purposes. Generally, we are in favor of this legislation. However, we feel that certain changes should be made as indicated in the following numbered paragraphs:

1. At present, the heads of agencies have full authority and responsibility for wage administration in their respective agencies. Section 105, page 9, lines 8 to 10 would give the Civil Service Commission authority to regulate as may be necessary for the administration of title I, which includes wage administration. This Department is in favor of centralizing in the Commission broad, general authority to review various wage administration patterns throughout the Federal service. The function must be dealt with intimately and expeditiously by the agencies, and, therefore, to set forth the authority of the Commission it is recommended that section 105 be changed to read as follows:

"SEC. 105. The Civil Service Commission is authorized to review various wage patterns in the Federal service with the view to their coordination through the issuance of broad standards in consultation with agency representatives."

2. Section 401 on page 14 permits the head of any department, independent establishment, or agency, with the approval of the Civil Service Commission, to approve standby time at differentials not to exceed 25 percent in one situation, and 15 percent in other situations. It is believed that the heads of the departments and agencies of the Government are fully qualified and could be entrusted to exercise discretion and judgment in the approval of premium compensation for standby time and that such approval of the Civil Service Commission should not be required. In fact, it would seem that a process of obtaining Civil Service approval in these instances might prove to be quite cumbersome and time consuming.

3. Section 302 of title III provides that the Department incentive awards program shall be carried out under regulations and instructions issued by the Civil Service Commission. While this Department has felt that the incentive awards program would benefit from stronger leadership and stimulation at the executive level, the organizational location of such a responsibility is subject to question. The incentive awards program has a relationship to the general personnel program of the Government, but it is more importantly an integral part of the management improvement effort. Government and industry have found that a major stimulation to increased efficiency, economies in operation and better management is some system of financial and honorary recognition of the contributions of individual employees. Since responsibility for the general management improvement program is lodged in the Bureau of the Budget, we feel that the incentive awards phase should also be centered there. This Department has organized its program on this basis and feels that the executive level organization should follow a similar pattern. If this course is followed, we would like to see a strengthening of this function in the Bureau of the Budget to bring about an improvement of results governmentwide.

With the suggestions as noted above, the Department of the Interior recommends in favor of this proposed legislation. The Bureau of the Budget has advised that there is no objection to the presentation of this report to your committee.

Sincerely yours,

D. OTIS BEASLEY,
Administrative Assistant Secretary of the Interior.

DEPARTMENT OF JUSTICE,
OFFICE OF THE DEPUTY ATTORNEY GENERAL,
Washington, February 25, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington, D. C.

DEAR SENATOR: This is in response to your request for the views of the Department of Justice relative to the bill (S. 2665) to amend the Classification Act of

1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

The bill would abolish the crafts-protective-custodial classification and substitute therefor the prevailing-wage methods payment of compensation for some employees now included under CPC while other employees under such classification would be transferred to general schedule classification. Also, the bill would include a number of beneficial provisions such as longevity salary increases for employees in grades up to and including GS-15; so-called true overtime rates up to grade GS-9; premium pay of 2½ times the usual rate for holiday work; premium compensation for irregular overtime, nightwork, and for standby services; a single incentive awards system; allowances of not to exceed $100 per annum to employees required to wear uniforms for the acquisition and upkeep of such uniforms; and repeal of the so-called Whitten amendment (sec. 1310 of the Supplemental Appropriation Act of 1952, as amended (5 U. S. C. 43 note)) requiring temporary appointments and placing limitations on promotions.

The Department of Justice is, generally, in accord with the purposes of the bill. There are certain provisions of the measure, however, which might be clarified.

In section 202 (c) of the bill (p. 11) relating to compensation for overtime work, it is suggested that the word "ordered" be inserted before the word "overtime" in lines 12 and 17 so as to make clear this is not voluntary irregular or occasional overtime.

Section 202 (e) of the bill (pp. 12, 13), authorizing compensation for night and holiday work, provides that the section shall not operate to modify the provisions of the act of July 1, 1944, or any other law authorizing additional compensation for night work. No such exception appears in section 202 (b) of the bill, which relates to overtime work generally. The payment of extra compensation for inspectional services by employees of the Immigration and Naturalization Service of this Department is established by the act of March 2, 1931 (5 U. S. C. 342c and 342d). The existing Federal Employees Pay Act of 1945, as amended, in section 601 (5 U. S. C. 941) contains specific language to the effect that its provisions shall not operate to prevent payment for overtime services or extra pay in accordance with the act of March 2, 1931. The latter is not specifically repealed or amended by the bill now under consideration. It is assumed therefore that the provisions of the bill would have no effect upon the payment of overtime compensation, etc., under the act of March 2, 1931. However, for the sake of clarity, it might be advisable to include specific language in section 202 (b) of the bill to obviate any possible conflict between the bill and the terms of the act of March 2, 1931.

Section 402 of the bill (pp. 21, 22), relating to uniform allowances, provides that not to exceed $100 per annum shall be paid for defraying the expenses of "acquisition and upkeep" of such uniforms. As now worded, the allowance for upkeep could be used only in conjunction with private acquisition of uniforms and would not cover those cases in which uniforms are furnished at Government expense. In order to cover all cases requiring upkeep of uniforms it is suggested that the word "and" in line 5 on page 22 be changed to "or."

The Bureau of the Budget has advised that while there is no objection to the submission of this report, it invited particular attention to its recommendation against favorable consideration at this time of title IV of the bill and other pending proposals like title IV.

Sincerely,

WILLIAM P. ROGERS,
Deputy Attorney General.

UNITED STATES DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, D. C., February 25, 1954.

The Honorable FRANK CARLSON,
Chairman, Post Office and Civil Service Committee,
United States Senate, Washington 25, D. C.

DEAR SENATOR CARLSON: This is in reply to your letter of January 12, 1954, requesting my comments on S. 2665, a bill to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

The proposed legislation would augment the pay benefits of employees of the Federal Government by (1) increasing, from $2,980 per annum to $5,810 per annum, the maximum rate on which time and one-half the regular hourly rate

of pay for Federal employees for hours worked in excess of their regularly scheduled hours of employment can be computed; and (2) increasing premium compensation for work performed on specified holidays. It would also increase the number of supergrade positions—GS–16, 17, and 18—from 400 to 700, strengthen the incentive awards program, expand the longevity step-increase provisions of the Classification Act to include grades GS–11 through GS–15, abolish the schedule for crafts, protective and custodial workers (transferring some of these employees to the general schedule but excluding the majority from the application of the Classification Act and making them subject to wage determinations on a prevailing rate basis) and repeal section 1310 of the Supplemental Appropriation Act of 1952, the so-called Whitten rider. The proposed amendments are designed to liberalize existing personnel practices and procedures in order that the benefits of Federal employees may be made more equitable and the pay structure more nearly consistent with practices in private industry.

I am wholeheartedly in favor of the general objectives of S. 2665 and recognize the worthwhileness of effecting needed improvements in the civil service laws. However, I believe that the proposal would be improved by the changes suggested in the reports of the Chairman of the Civil Service Commission and the Director of the Bureau of the Budget.

I approve the enactment of S. 2665, with the amendments discussed above.

The Bureau of the Budget advises that it has no objection to the submission of this report.

Yours very truly,

JAMES P. MITCHELL, *Secretary of Labor.*

OFFICE OF THE POSTMASTER GENERAL,
Washington 25, D. C., February 24, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate.

DEAR MR. CHAIRMAN: Reference is made to your request for a report on S. 2665, a bill to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

Title I of this bill amends the Classification Act of 1949.

(1) By converting positions in the crafts, protective and custodial schedule to the general schedule under the Classification Act of 1949, and adjusts the rates of pay of the positions so converted;

(2) Increases from 400 to 700 the number of positions authorized to be placed in grades GS–16, 17, and 18, and removes the restriction on the number of positions which may be placed in each of these grades;

(3) Permits the establishment of entrance rates higher than the minimum rate of the grade for positions in shortage categories; and

(4) Authorizes longevity step increases in grades GS–11 through GS–15.

The Post Office Department supports the enactment of title I of this bill but wishes to point out that the portion of the title which permits hiring at higher than the minimum entrance rates for positions in shortage categories may result in employee relations problems among those employed at the present rates.

Title II of this bill amends the Federal Employees Pay Act of 1945 by revising the overtime, night, and holiday pay provisions, and adding new provisions providing premium pay for standby service and for irregular and unscheduled overtime duty. The Department is in accord with most of the objectives of this title, but is opposed to the provision for holiday pay. This provision runs counter to general practices in industry by providing double time and one-half pay for employees who are regularly scheduled to work on holidays instead of the usual double time. The holiday pay provision further would set up an inequity by paying employees for whom holiday work is not overtime at the same rate as those for whom the holiday work is also overtime work. The Department also questions the payment of overtime to employees who, because of the nature of their positions, can control their own overtime. Many employees in and above GS grade 9 are in such positions and would become eligible for premium pay for overtime under the provisions of this title.

Title III of this bill establishes a new "Government Employees Incentive Awards Act." It consolidates all the laws for all types of awards and places direction of the governmentwide incentive awards program within the Civil Service Commission. The Department supports title III of this bill. It is

assumed that the executive departments of the Government will have maximum flexibility in administering such programs.

Title IV of this bill proposes a cash allowance of $100 for each employee required by law or regulation to wear a uniform in the performance of official duty. The regulations with respect to this allowance are to be prescribed by the Director of the Bureau of the Budget. The Post Office Department does not favor this proposal at the present time. The overriding consideration in reaching this conclusion is the cost to the Department. It is estimated that there are about 133,000 employees in the Department who would be affected by this provision. There have been several estimates of the cost of uniforms, depending upon the regulation prescribed by the head of the agency, but it is estimated the cost per uniform would be about $100 per annum. Using this unit-cost estimate the annual cost to the Post Office Department for all employees required to wear uniforms would be about $13,300,000.

Title V of this bill would repeal section 1310 of the Supplemental Appropriation Act, 1952, (Public Law 253, 82d Cong.) as amended. The Post Office Department strongly endorses title V of this bill.

The Whitten amendment has been a materially adverse factor in field hiring and in keeping down turnover. In view of the steady but regular growth of the Post Office, reflecting the basic growth in the American economy, there is no reason for the application of such a restriction to this Department. Relief from this restriction will enable the Department to move toward its objective of regularizing employment and tenure by converting many substitutes and indefinites to full-time employment with civil-service status. Such action will make possible material savings through providing secure employment to thousands of clerks and carriers, thus reducing turnover and enabling us to increase skills and productivity through the use of experienced employees. There are approximately 70,000 employees now performing full-time work who in part because of the Whitten amendment cannot be given regular appointments.

The Bureau of the Budget has advised that there would be no objection to the submission of this report to the committee.

Sincerely yours,

C. R. Hook, Jr.,
Acting Postmaster General.

Department of State,
Washington, February 24, 1954.

Hon. Frank Carlson,
Chairman, Committee on Post Office and Civil Service,
United States Senate.

My Dear Senator Carlson: Reference is made to your letter of January 12, 1954, requesting the views and comments of the Department of State on S. 2665, to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

The Department endorses all the provisions of S. 2665. It does recommend, however, that the language be amended in section 202 (a) (p. 11) to clarify the intent that compensatory time in lieu of payment for overtime work be granted on a straight hour-for-hour basis.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,

Thruston B. Morton,
Assistant Secretary
(For the Secretary of State).

Treasury Department,
Washington, D. C., March 5, 1954.

Hon. Frank Carlson,
Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington, D. C.

My Dear Mr. Chairman: Further reference is made to your letter of January 12, 1954, requesting a statement of this Department's views on S. 2665, "To amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes".

The proposed legislation would make several important amendments in both the Classification Act of 1949 and the Federal Employees Pay Act of 1945.

In general, the Treasury Department endorses the provisions of S. 2665 and it supports the position of the Civil Service Commission on the bill as set forth in the letter to your committee from the Chairman of the Civil Service Commission. There is attached a memorandum which sets forth in detail the Treasury Department's comments on S. 2665.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.

Very truly yours,

M. B. Folsom,
Acting Secretary of the Treasury.

Memorandum to Accompany Report on S. 2665

TITLE I

The Treasury Department endorses:

(1) The extension of the prevailing wage rate principle to crafts and related jobs now under the Classification Act, thereby placing all crafts and related jobs in one pay category;

(2) The elimination of present restrictions on the number of positions which may be placed in each level of GS–16, 17, and 18;

(3) The increase from 400 to 700 of the number of supergrades authorized by the Classification Act of 1949;

(4) The extension of longevity increases to employees above GS–10; and

(5) The authorization to the Civil Service Commission to make temporary adjustments of minimum pay rates to recruit and retain needed personnel.

TITLE II

The Treasury Department endorses:

(1) The payment of overtime compensation, at 1½ times regular rate, to employees in all grades up to and including GS–15, providing the maximum overtime rate for all grades where concerned will be the maximum rate for GS–9;

(2) The payment of minimum compensation for call-back overtime as 2 hours pay;

(3) The principle of paying employees in a travel status only for their regularly scheduled workweek, which may include regularly scheduled overtime; providing, they may also be paid for traveling time outside of these regularly scheduled hours if they are required to perform work while traveling, or if the traveling is done under arduous conditions;

(4) The principle of granting operating departments authority, within specified limitations, to determine nightwork hours in light of prevailing conditions at locations outside the United States;

(5) The payment of minimum compensation for 2 hours pay for any work on a holiday;

(6) The payment of additional compensation, in lieu of overtime night and holiday pay, to employees with long tours of standby duty, at rates up to 25 percentum of base pay rates not exceeding the maximum rate of GS–9;

(7) The payment for irregular and unscheduled overtime and holiday work of additional compensation not in excess of 15 percentum of rates not exceeding the maximum rate of GS–9 to employees whose hours are not subject to usual administrative control and whose duties require substantial amounts of unscheduled overtime, night and holiday pay; and

(8) The principle of limiting total pay of Classification Act employees in GS–15 and below to regular pay plus premium pay not in excess of the maximum rate of GS–15 and the principle of denying premium pay to employees in GS–16, 17 and 18.

TITLE III

The Treasury Department endorses the payment of incentive awards and believes that this consolidation of laws, with the improvements and simplifications added, will help facilitate the awards program.

TITLE V

The Treasury Department endorses the repeal of the so-called Whitten amendment.

Changes in Existing Law

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill (joint resolution) as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

Classification Act of 1949, as Amended

* * * * * * *

Sec. 101. * * *

[(7) employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor occupations (except such employees in positions to which the Classification Act of 1923, as amended, now applies, the duties of which involve the maintenance and operation of public buildings and associated equipment or the performance of work in scientific or engineering laboratories as aides to scientists or engineers), and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experience, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine operations, whose compensation shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates;]

(7) employees in recognized trades, or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor occupations, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and knowledge as the paramount requirement, and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experience, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine operations: Provided, That the compensation of such employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates: Provided further, That whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees shall be subject to the provisions of the Classification Act of 1949, as amended, which are applicable to positions of equivalent difficulty or responsibility;

* * * * * * *

[Sec. 505. (a) No position shall be placed in Grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission. At any one time there shall not be more than three hundred positions in Grade 16 of the General Schedule and not more than seventy-five positions in Grade 17 of the General Schedule.

[(b) No position shall be placed in or removed from Grade 18 of the General Schedule except by the President upon recommendation of the Commission. There shall not be more than twenty-five positions in such grade at any one time.]

Sec. 505. (a) No position shall be placed in grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission.

(b) No position shall be placed in or removed from grade 18 of the General Schedule except by the President upon recommendation of the Commission.

(c) There shall not be more than seven hundred positions in grades 16, 17, and 18 of the General Schedule at any one time: Provided, That positions that may be established under the proviso of section 203 (b) (1) of the Act of August 2, 1946 (60 stat. 836) may be in addition to these seven hundred.

* * * * * * *

[Sec. 601. There are hereby established the following basic compensation schedules for positions to which this Act applies:

[(1) A "General Schedule", the symbol for which shall be "GS", in lieu of the professional and scientific service, the clerical, administrative, and fiscal service, and the subprofessional service specified in section 13 of the Classification Act of 1923, as amended; and

[(2) A "Crafts, Protective, and Custodial Schedule", the symbol for which shall be "CPC", in lieu of the crafts, protective, and custodial service specified in such section.]

Sec. 601. There is hereby established for positions to which this Act applies a basic compensation schedule to be known as the "General Schedule", the symbol for which shall be "GS".

Sec. 602. [(a)] The General Schedule shall be divided into eighteen grades of difficulty and responsibility of work, as follows:

GENERAL SCHEDULE

Grade GS–1 includes all classes of positions the duties of which are to perform, under immediate supervision, with little or no latitude for the exercise of independent judgment, (1) the simplest routine work in office, business, or fiscal operations, or (2) elementary work of a subordinate technical character in a professional, scientific, or technical field.

Grade GS–2 includes all classes of positions the duties of which are (1) to perform, under immediate supervision, with limited latitude for the exercise of independent judgment, routine work in office, business, or fiscal operations, or comparable subordinate technical work of limited scope in a professional, scientific, or technical field, requiring some training or experience; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–3 includes all classes of positions the duties of which are (1) to perform, under immediate or general supervision, somewhat difficult and responsible work in office, business, or fiscal operations, or comparable subordinate technical work of limited scope in a professional, scientific, or technical field, requiring in either case (A) some training or experience, (B) working knowledge of a special subject matter, or (C) to some extent the exercise of independent judgment in accordance with well-established policies, procedures, and techniques; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–4 includes all classes of positions the duties of which are (1) to perform, under immediate or general supervision, moderately difficult and responsible work in office, business, or fiscal operations, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) a moderate amount of training and minor supervisory or other experience, (B) good working knowledge of a special subject matter or a limited field of office, laboratory, engineering, scientific, or other procedure and practice, and (C) the exercise of independent judgment in accordance with well-established policies, procedures, and techniques; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–5 includes all classes of positions the duties of which are (1) to perform, under general supervision, difficult and responsible work in office, business, or fiscal administration, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) considerable training and supervisory or other experience, (B) broad working knowledge of a special subject matter or of office, laboratory, engineering, scientific, or other procedure and practice, and (C) the exercise of independent judgment in a limited field; (2) to perform, under immediate supervision, and with little opportunity for the exercise of independent judgment, simple and elementary work requiring professional, scientific, or technical training equivalent to that represented by graduation from a college or university of recognized standing but requiring little or no experience; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–6 includes all classes of positions the duties of which are (1) to perform, under general supervision, difficult and responsible work in office, business, or fiscal administration, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) considerable training and supervisory or other experience, (B) broad working knowledge of a special and complex subject matter, procedure, or practice, or of the principles of the profession, art, or science involved, and (C) to a considerable extent the exercise of independent judgment; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–7 includes all classes of positions the duties of which are (1) to perform, under general supervision, work of considerable difficulty and responsibility along special technical or supervisory lines in office, business, or fiscal adminis-

tration, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) considerable specialized or supervisory training and experience, (B) comprehensive working knowledge of a special and complex subject matter, procedure, or practice, or of the principles of the profession, art, or science involved, and (C) to a considerable extent the exercise of independent judgment; (2) under immediate or general supervision, to perform somewhat difficult work requiring (A) professional, scientific, or technical training equivalent to that represented by graduation from a college or university of recognized standing, (B) previous experience, and (C) to a limited extent, the exercise of independent technical judgment; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–8 includes all classes of positions the duties of which are (1) to perform, under general supervision, very difficult and responsible work along special technical or supervisory lines in office, business, or fiscal administration, requiring (A) considerable specialized or supervisory training and experience, (B) comprehensive and thorough working knowledge of a specialized and complex subject matter, procedure, or practice, or of the principles of the profession, art, or science involved, and (C) to a considerable extent the exercise of independent judgment; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–9 includes all classes of positions the duties of which are (1) to perform, under general supervision, very difficult and responsible work along special technical, supervisory, or administrative lines in office, business, or fiscal administration, requiring (A) somewhat extended specialized training and considerable specialized, supervisory, or administrative experience which has demonstrated capacity for sound independent work, (B) thorough and fundamental knowledge of a special and complex subject matter, or of the profession, art, or science involved, and (C) considerable latitude for the exercise of independent judgment; (2) with considerable latitude for the exercise of independent judgment, to perform moderately difficult and responsible work, requiring (A) professional, scientific, or technical training equivalent to that represented by graduation from a college or university of recognized standing. and (B) considerable additional professional, scientific, or technical training or experience which has demonstrated capacity for sound independent work; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–10 includes all classes of positions the duties of which are (1) to perform, under general supervision, highly difficult and responsible work along special technical, supervisory, or administrative lines in office, business, or fiscal administration, requiring (A) somewhat extended specialized, supervisory, or administrative training and experience which has demonstrated capacity for sound independent work, (B) thorough and fundamental knowledge of a specialized and complex subject matter, or of the profession, art, or science involved, and (C) considerable latitude for the exercise of independent judgment; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–11 includes all classes of positions the duties of which are (1) to perform, under general administrative supervision and with wide latitude for the exercise of independent judgment, work of marked difficulty and responsibility along special technical, supervisory, or administrative lines in office, business, or fiscal administration, requiring (A) extended specialized, supervisory, or administrative training and experience which has demonstrated important attainments and marked capacity for sound independent action or decision, and (B) intimate grasp of a specialized and complex subject matter, or of the profession, art, or science involved, or of administrative work of marked difficulty; (2) with wide latitude for the exercise of independent judgment, to perform responsible work of considerable difficulty requiring somewhat extended professional, scientific, or technical training and experience which has demonstrated important attainments and marked capacity for independent work; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–12 includes all classes of positions the duties of which are (1) to perform, under general administrative supervision, with wide latitude for the exercise of independent judgment, work of a very high order of difficulty and responsibility along special technical, supervisory, or administrative lines in office, business, or fiscal administration, requiring (A) extended specialized, supervisory, or administrative training and experience which has demonstrated

leadership and attainments of a high order in specialized or administrative work, and (B) intimate grasp of a specialized and complex subject matter or of the profession, art, or science involved; (2) under general administrative supervision, and with wide latitude for the exercise of independent judgment, to perform professional, scientific, or technical work of marked difficulty and responsibility requiring extended professional, scientific, or technical training and experience which has demonstrated leadership and attainments of a high order in professional, scientific, or technical research, practice, or administration; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–13 includes all classes of positions the duties of which are (1) to perform, under administrative direction, with wide latitude for the exercise of independent judgment, work of unusual difficulty and responsibility along special technical, supervisory, or administrative lines, requiring extended specialized, supervisory, or administrative training and experience which has demonstrated leadership and marked attainments; (2) to serve as assistant head of a major organization involving work of comparable level within a bureau; (3) to perform, under administrative direction, with wide latitude for the exercise of independent judgment, work of unusual difficulty and responsibility requiring extended professional, scientific, or technical training and experience which has demonstrated leadership and marked attainments in professional, scientific, or technical research, practice, or administration; or (4) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–14 includes all classes of positions the duties of which are (1) to perform, under general administrative direction, with wide latitude for the exercise of independent judgment, work of exceptional difficulty and responsibility along special technical, supervisory, or administrative lines which has demonstrated leadership and unusual attainments; (2) to serve as head of a major organization within a bureau involving work of comparable level; (3) to plan and direct or to plan and execute major professional, scientific, technical, administrative, fiscal, or other specialized programs, requiring extended training and experience which has demonstrated leadership and unusual attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (4) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–15 includes all classes of positions the duties of which are (1) to perform, under general administrative direction, with very wide latitude for the exercise of independent judgment, work of outstanding difficulty and responsibility along special technical, supervisory, or administrative lines which has demonstrated leadership and exceptional attainments; (2) to serve as head of a major organization within a bureau involving work of comparable level; (3) to plan and direct or to plan and execute specialized programs of marked difficulty, responsibility, and national significance, along professional, scientific, technical, administrative, fiscal, or other lines, requiring extended training and experience which has demonstrated leadership and unusual attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (4) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–16 includes all classes of positions the duties of which are (1) to perform, under general administrative direction, with unusual latitude for the exercise of independent judgment, work of outstanding difficulty and responsibility along special technical, supervisory, or administrative lines which has demonstrated leadership and exceptional attainments; (2) to serve as the head of a major organization involving work of comparable level; (3) to plan and direct or to plan and execute professional, scientific, technical, administrative, fiscal, or other specialized programs of unusual difficulty, responsibility, and national significance, requiring extended training and experience which has demonstrated leadership and exceptional attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (4) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–17 includes all classes of positions the duties of which are (1) to serve as the head of a bureau where the position, considering the kind and extent of the authorities and responsibilities vested in it, and the scope, complexity, and

degree of difficulty of the activities carried on, is of a high order among the whole group of positions of heads of bureaus; (2) to plan and direct or to plan and execute professional, scientific, technical, administrative, fiscal, or other specialized programs of exceptional difficulty, responsibility, and national significance, requiring extended training and experience which has demonstrated exceptional leadership and attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (3) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–18 includes all classes of positions the duties of which are (1) to serve as the head of a bureau where the position, considering the kind and extent of the authorities and responsibilities vested in it, and the scope, complexity, and degree of difficulty of the activities carried on, is exceptional and outstanding among the whole group of positions of heads of bureaus; (2) to plan and direct or to plan and execute frontier or unprecedented professional, scientific, technical, administrative, fiscal, or other specialized programs of outstanding difficulty, responsibility, and national significance, requiring extended training and experience which has demonstrated outstanding leadership and attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (3) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

[(b) The Crafts, Protective, and Custodial Schedule shall be divided into ten grades of difficulty and responsibility of work, as follows:

[CRAFTS, PROTECTIVE, AND CUSTODIAL SCHEDULE

[Grade CPC–1 includes all classes of positions the duties of which are to run errands, to check parcels, or to perform other light manual tasks with little or no responsibility.

[Grade CPC–2 includes all classes of positions the duties of which are to handle desks, mail sacks, and other heavy objects, and to perform similar work ordinarily required of unskilled laborers; to pass coal; to clean office rooms; to perform regular messenger work with little responsibility; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–3 includes all classes of positions the duties of which are to perform, under immediate supervision, custodial, or office labor work with some degree of responsibility; to operate paper-cutting, canceling, envelope-opening, or envelope-sealing machines; to fire and keep up steam in low-pressure boilers used for heating purposes, and to clean boilers and oil machinery and related apparatus; to operate passenger automobiles or light-duty trucks; to pack goods for shipment; to work as leader of a group of charwomen; to perform messenger work and do light manual or office-labor tasks with some responsibility; to carry important documents from one office to another, or attend the door and private office of a public officer; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–4 includes all classes of positions the duties of which are to perform, under general supervision, custodial work of a responsible character; to guard office or storage buildings; to supervise and direct a force of unskilled laborers; to fire and to keep up steam in high-pressure boilers and to operate other equipment used in connection with such boilers; to perform general, semimechanical, new, or repair work requiring some skill with hand tools; to work as craft or trade helper; to operate heavy-duty trucks, semitrailers, or tractor trailers; to operate a passenger automobile for a department head or officer of comparable rank; to attend the door of a private office of a department head or officer of comparable rank; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–5 includes all classes of positions the duties of which are to guard property of great value while in transit; to supervise the operation and maintenance of a low-capacity heating plant and its auxiliary equipment; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–6 includes all classes of positions the duties of which are to have immediate direction of a detachment of building guards; to perform the work of a skilled mechanic; to repair office appliances; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–7 includes all classes of positions the duties of which are to assist in the general supervision of a force of building guards; to work as leader of a group of skilled mechanics; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–8 includes all classes of positions the duties of which are to have general supervision over a force of building guards; to supervise the operation of a mechanical shop; to direct skilled mechanics and other employees engaged in the operation and maintenance of equipment providing heating, ventilating, air conditioning, power, and sanitation in one or more public buildings; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–9 includes all classes of positions the duties of which are to direct supervisory and office assistants, mechanics, guards, elevator operators, laborers, janitors, and other employees engaged in the custody, maintenance, and protection of a public building; or to assist in the direction of such employees when engaged in similar duties in a group of buildings; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–10 includes all classes of positions the duties of which are to direct supervisory and office assistants, mechanics, guards, elevator operators, laborers, janitors, and other employees engaged in the custody, maintenance, and protection of a group of public buildings; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.]

SEC. 603. [(a) Except as provided in subsection (c) (2), the rates of basic compensation with respect to officers, employees, and positions to which this Act applies shall be in accordance with the schedules of per annum rates contained in subsections (b) and (c) (1).] *(a) The rates of basic compensation with respect to officers, employees, and positions to which this Act applies shall be in accordance with the compensation schedule contained in subsection (b).*

(b) The compensation schedule for the General Schedule shall be as follows:

Grade	Per annum rates						
GS-1	$2,500	$2,580	$2,660	$2,740	$2,820	$2,900	$2,980
GS-2	2,750	2,830	2,910	2,990	3,070	3,150	3,230
GS-3	2,950	3,030	3,110	3,190	3,270	3,350	3,430
GS-4	3,175	3,255	3,335	3,415	3,495	3,575	3,655
GS-5	3,410	3,535	3,660	3,785	3,910	4,035	4,160
GS-6	3,795	3,920	4,045	4,170	4,295	4,420	4,545
GS-7	4,205	4,330	4,455	4,580	4,705	4,830	4,955
GS-8	4,620	4,745	4,870	4,995	5,120	5,245	5,370
GS-9	5,060	5,185	5,310	5,435	5,560	5,685	5,810
GS-10	5,500	5,625	5,750	5,875	6,000	6,125	6,250
GS-11	5,940	6,140	6,340	6,540	6,740	6,940	
GS-12	7,040	7,240	7,440	7,640	7,840	8,040	
GS-13	8,360	8,560	8,760	8,960	9,160	9,360	
GS-14	9,600	9,800	10,000	10,200	10,400	10,600	
GS-15	10,800	11,050	11,300	11,550	11,800		
GS-16	12,000	12,200	12,400	12,600	12,800		
GS-17	13,000	13,200	13,400	13,600	13,800		
GS-18	14,800						

[(c) (1) The compensation schedule for the Crafts, Protective, and Custodial Schedule shall be as follows:

[Grade	Per annum rates						
CPC-1	$1,810	$1,870	$1,930	$1,990	$2,050	$2,110	$2,170
CPC-2	2,420	2,490	2,560	2,630	2,700	2,770	2,840
CPC-3	2,552	2,632	2,712	2,792	2,872	2,952	3,032
CPC-4	2,750	2,830	2,910	2,990	3,070	3,150	3,230
CPC-5	2,974	3,054	3,134	3,214	3,294	3,374	3,454
CPC-6	3,200	3,280	3,360	3,440	3,520	3,600	3,680
CPC-7	3,435	3,535	3,635	3,735	3,835	3,935	4,035
CPC-8	3,740	3,865	3,990	4,115	4,240	4,365	4,490
CPC-9	4,150	4,275	4,400	4,525	4,650	4,775	4,900
CPC-10	4,565	4,690	4,815	4,940	5,065	5,190	5,315

[(2) Charwomen working part time shall be paid at the rate of $2,700 per annum, and head charwomen working part time at the rate of $2,840 per annum.

[(d) Whenever payment is made on the basis of a daily, hourly, weekly, biweekly, or monthly rate, such rate shall be computed from the appropriate annual rate specified in subsection (b) or (c) by the method prescribed in section 604 (d) of the Federal Employees Pay Act of 1945.]

(c) Whenever payment is made on the basis of a daily, hourly, weekly, biweekly, or monthly rate, such rate shall be computed from the appropriate annual rate specified in subsection (b) by the method prescribed in section 604 (d) of the Federal Employees Pay Act of 1945, as amended.

[SEC. 604. (a) For the purpose of making initial adjustments to the classification grades provided in this Act, positions which are required to be compensated in accordance with this Act and which were immediately prior to the effective date of this title in the professional and scientific service, the subprofessional service, the clerical, administrative, and fiscal service, or the crafts, protective, and custodial service of the Classification Act of 1923, as amended, are hereby allocated to corresponding grades of the General Schedule or the Crafts, Protective, and Custodial Schedule as set forth below:

Service and grade of the Classification Act of 1923, as amended				Corresponding new grade	
Professional and scientific service	Subprofessional service	Clerical, administrative, and fiscal service	Crafts, protective, and custodial service	General schedule	Crafts, protective, and custodial schedule
	1			GS-1	
	2	1		GS-1	
	3	2		GS-2	
	4	3		GS-3	
	5	4		GS-4	
1	6	5		GS-5	
	7	6		GS-6	
2	8	7		GS-7	
		8		GS-8	
3		9		GS-9	
		10		GS-10	
4		11		GS-11	
5		12		GS-12	
6		13		GS-13	
7		14		GS-14	
8		15		GS-15	
			1		CPC-1
			2		CPC-2
			3		CPC-3
			4		CPC-4
			5		CPC-5
			6		CPC-6
			7		CPC-7
			8		CPC-8
			9		CPC-9
			10		CPC-10

[(b) The rates of basic compensation of officers and employees to whom this Act applies shall be initially adjusted as follows:

[(1) In all cases where the number of pay rates within a grade specified in this Act is the same as in the corresponding grade of the Classification Act of 1923, as amended, employees shall have the same relative pay rate of the new grade, except as provided in paragraphs (2), (3), and (11) of this subsection.

[(2) Employees in grade 1 of the subprofessional service immediately prior to the effective date of this title, at the first, second, third, fourth, fifth, sixth, and seventh rate shall have the first, first, second, third, fourth, fifth, and sixth rate, respectively, of grade 1 of the General Schedule.

[(3) Employees in grade 2 of the subprofessional service immediately prior to the effective date of this title, at the first, second, third, fourth, fifth, sixth, and seventh rate shall have the second, third, fourth, fifth, sixth, seventh, and seventh rate, respectively, of grade 1 of the General Schedule.

[(4) Employees in grade 1 of the crafts, protective, and custodial service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, third, fourth, sixth, and seventh rate, respectively, of grade 1 of the Crafts, Protective, and Custodial Schedule.

[(5) Employees in grades 2 and 3 of the crafts, protective, and custodial service immediately prior to the effective date of this title, shall have the same relative pay rate of the first six rates of grades 2 and 3, respectively, of the Crafts, Protective, and Custodial Schedule.

[(6) Employees in grade 4 of the professional and scientific service and grade 11 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fourth, and sixth rate, respectively, of grade 11 of the General Schedule.

[(7) Employees in grade 5 of the professional and scientific service and grade 12 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fourth, and fifth rate, respectively, of grade 12 of the General Schedule.

[(8) Employees in grade 6 of the professional and scientific service and grade 13 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fourth, and fifth rate, respectively, of grade 13 of the General Schedule.

[(9) Employees in grade 7 of the professional and scientific service and grade 14 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fifth, and sixth rate, respectively, of grade 14 of the General Schedule.

[(10) Employees in grade 8 of the professional and scientific service and grade 15 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first and second rate of the grade shall have the third rate of grade 15 of the General Schedule.

[(11) Employees receiving a rate of basic compensation, authorized by law, immediately prior to the effective date of this title, in excess of the appropriate new rate of the grade as determined under paragraphs (1) to (10), inclusive, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this Act.]

Sec. 604. Employees receiving basic compensation at a rate authorized by law, immediately prior to the effective date of this title, in excess of the appropriate new rate of the grade as determined under paragraphs (1) to (10), inclusive, of section 604 (b) of this act, as in effect prior to the date of enactment of the Classification Act Amendments of 1954, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of the grade as determined under paragraphs (1) to (10), inclusive, of section 604 (b) of this act, as in effect prior to the date of enactment of the Classification Act Amendments of 1954, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this act.

* * * * * * *

[Sec. 702. (a) Within the limit of available appropriations and in accordance with standards promulgated by the Commission, each department is authorized, subject to prior approval by the Commission (except as provided in subsection (b)), to make additional step-increases as a reward for superior accomplishment, but no officer or employee shall be eligible for more than one such additional step-increase within each of the time periods specified in section 701.

[(b) The Commission is authorized to delegate to any department the authority to make the additional step-increases provided for in this section, without prior approval in individual cases by the Commission. The Commission may withdraw or suspend such authority whenever review of such actions by the Commission indicates that standards promulgated by the Commission have not been observed, and may restore such authority whenever it is satisfied that subsequent actions will be taken in conformance with such standards.

[(c) Each department shall report to the Commission all actions taken under this section, together with the reasons therefor. The Commission shall submit an annual report to Congress covering the numbers and types of actions taken under this section.]

Sec. 703. (a) Subject to subsection (b), and as a reward for long and faithful service, each department shall grant an additional step-increase (to be known as a longevity step-increase) beyond the maximum scheduled rate of the grade in which his position is placed, to each officer or employee for each three years of continuous serivce completed by him at such maximum rate or at a rate in excess thereof authorized by this section without [change of] *increase in* grade or rate of basic compensation except such [change] *increase* as may be prescribed by any provision of law of general application. Officers and employees who are otherwise eligible shall receive full credit under this subsection for service at the maximum authorized salary rate specified in the Bacharach Act of May 29, 1928, as amended and supplemented, and the Reed-Jenkins Act of May 29, 1928, as amended, to

the same extent as if such service had been at the maximum rate of a grade of the Classification Act of 1923, as amended.

(b) (1) No officer or employee shall be entitled to a longevity step-increase while holding a position in any grade above grade [10] *15* of the General Schedule.

(2) No officer or employee shall receive a longevity step-increase unless his current efficiency rating is "satisfactory" or better.

(3) No officer or employee shall receive more than one longevity step-increase for any three years of continuous service.

(4) Each longevity step-increase shall be equal to one step-increase of the grade in which the position of the officer or employee is placed.

(5) Not more than three successive longevity step-increases may be granted to any officer or employee.

(6) The officer or employee shall have had, in the aggregate, not less than ten years of service in the position which he then occupies, or in positions of equivalent or higher class or grade.

(c) When an officer or employee, receiving basic compensation at a rate in excess of the maximum scheduled rate for his grade under [section 604 (b) (11), section 1105 (b)] *section 604 or section 1105 (b) of this Act, or section 103 (b) (4) of the Classification Act Amendments of 1954*, or any other provision of law, is eligible for his first longevity step-increase beyond the maximum rate of such grade he shall—

(1) receive total basic compensation which is equal to the basic compensation at the maximum scheduled rate for his grade plus such first longevity step-increase, or

(2) continue to receive compensation at such rate in excess of the maximum scheduled rate for his grade, if the compensation at such rate is higher than the total basic compensation specified in paragraph (1).

In case any such officer or employee receiving compensation under paragraph (2) is eligible for a subsequent successive longevity step-increase, he shall—

(A) receive the same total basic compensation which he would be entitled to receive after such subsequent longevity step-increase, if his total basic compensation had, at the time he was eligible for his first longevity step-increase, been determined under paragraph (1), or

(B) continue to receive compensation under paragraph (2) if such compensation is higher than the total basic compensation specified in paragraph (A).

SEC. 704. In computing length of service for the purposes of this title, service immediately preceding the effective date of this title shall be counted toward (1) one step-increase under section 701 and one additional step-increase under section 702, or (2) longevity step-increases under section 703, as the case may be *Service immediately preceding the date of enactment of the Classification Act Amendments of 1954 shall be counted toward longevity step increases under section 703 in the case of persons in grades 11 to 15, inclusive, who on such date are receiving compensation at the maximum scheduled rates for their respective grades.*

* * * * * * *

SEC. 802. (a) The rate of basic compensation to be received by any officer or employee to whom this Act applies shall be governed by regulations issued by the Commission in conformity with this Act when—

(1) he is transferred from a position to which this Act does not apply;

(2) he is transferred from any position to which this Act applies to another such position;

(3) he is demoted to a position in a lower grade;

(4) he is reinstated, reappointed, or reemployed;

(5) his type of appointment is changed;

(6) his employment status is otherwise changed; or

(7) his position is changed from one grade to another grade.

(*b*) Any officer or employee who is promoted or transferred to a position in a higher grade shall receive basic compensation at the lowest rate of such higher grade which exceeds his existing rate of basic compensation by not less than one step-increase of the grade from which he is promoted or transferred. If, in the case of any officer or employee so promoted or transferred who is receiving (1) one or more longevity step-increases under section 703, or (2) basic compensation at a rate in excess of the maximum scheduled rate for his grade under [section 604 (b) (11), section 1105 (b)] *section 604 or section 1105 (b) of this Act or section 103 (b) (4) of the Classification Act Amendments of 1954*, or any other provision of law, there is no rate in such higher grade which is at least one step-increase above his existing rate of basic compensation, he shall receive (A) the maximum scheduled rate of

such higher grade, or (B) his existing rate of basic compensation, if such existing rate is the higher.

[SEC. 803. The Commission shall make a study of the problem of additional compensation for hazardous employments and submit a report to Congress not later than one year from the date of enactment of this Act, setting forth its findings and such recommendations as it may deem advisable for a future policy and plan with respect to additional compensation for hazardous employments.]

SEC. 803. (a) Whenever the Commission shall find (1) that a sufficient number of qualified eligibles for positions in a given class cannot be secured in one or more areas or locations at the existing minimum rate for such class, and (2) that there is a possibility that a sufficient number of such eligibles can be secured by increasing the minimum rate for such class in such areas or locations to one of the higher rates within the grade in which such class is placed, the Commission may establish such higher rate as the minimum rate for that class in each area or location concerned.

(b) Minimum rates established under subsection (a) may be revised from time to time by the Commission. Such actions or revisions shall have the force and effect of law.

(c) Any increase in rate of basic compensation resulting from the establishment of new minimum rates under this section shall not be regarded as an 'equivalent increase' in compensation within the meaning of title VII.

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[SEC. 1002. (a) In each department there shall be established an Efficiency Awards Committee, the membership of which shall be designated by the head of the department.

[(b) It shall be the duty of the Efficiency Awards Committee (1) to identify those supervisors and employees within the department whose superior accomplishments have contributed to outstanding efficiency and economy in administration, and (2) to award to such supervisors and employees, subject to the approval of the head of the department and to the limitations of subsection (c), cash awards or increases in rates of basic compensation which, in the judgment of the Committee, are commensurate with their demonstrated superior accomplishments: *Provided, however*, That the total amount of such awards or increases to any group of supervisors and employees shall not exceed 25 per centum of the estimated saving to the Government due to their superior accomplishments.

[(c) Any such cash award or any such increase in rate of basic compensation shall not exceed an amount equal to three times the step-increase of the applicable grade. Any such increase in rate of basic compensation shall be at one, two, or three times the step-increase of the applicable grade and shall be in lieu of any additional compensation as a reward for superior accomplishment under section 702.

[(d) An award under this title shall be given due weight in qualifying and selecting employees for promotion to positions in higher grades.

[SEC. 1003. The Bureau of the Budget shall maintain control of the program set forth in this title and shall annually report the results of such program to Congress, with such recommendations as it may deem advisable.]

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FEDERAL EMPLOYEES PAY ACT OF 1945

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SEC. 101. (a) Subject to the exemptions specified in section 102 of this Act, titles [II and III] *II, III, and IV* of this Act shall apply (1) to all civilian officers and employees in or under the executive branch of the Government, including Government-owned or controlled corporations, and in or under the District of Columbia municipal government, and (2) to those officers and employees of the judicial branch of the Government, the Library of Congress, the Botanic Garden, and the Office of the Architect of the Capitol who occupy positions subject to the Classification Act of 1923, as amended.

[(b) Title IV of this Act shall apply to officers and employees who occupy positions subject to the Classification Act of 1923, as amended.]

(c) Subject to the exemptions specified in section 102 of this Act, title V of this Act shall apply to officers and employees in or under the legislative or the judicial branch of the Government whose compensation is not fixed in accordance with the Classification Act of 1923, as amended, and to the official reporters of proceedings and debates of the Senate and their employees.

(d) Subject to the exemptions specified in section 102 of this Act, title VI of this Act (containing miscellaneous provisions) shall apply to civilian officers and employees of the Government according to the terms thereof.

(e) All provisions of this Act applicable to the executive branch of the Government shall be applicable to the General Accounting Office.

* * * * * * *

[SEC. 201. Officers and employees to whom this title applies shall, in addition to their basic compensation, be compensated for all hours of employment, officially ordered or approved, in excess of forty hours in any administrative workweek, at overtime rates as follows:

[(a) For employees whose basic compensation is at a rate less than $2,980 per annum, the overtime hourly rate shall be one and one-half times the basic hourly rate of compensation: *Provided*, That in computing such overtime compensation for per annum employees, the basic hourly rate of compensation shall be determined by dividing the per annum rate by two thousand and eighty.

[(b) For employees whose basic compensation is at a rate of $2,980 per annum or more, the overtime hourly rate shall be in accordance with and in proportion to the following schedule:

Basic rate of compensation per annum	Overtime rate of compensation per 416 overtime hours
$2,980	$894. 000
3,090	885. 554
3,200	877. 108
3,310	868. 662
3,420	860. 216
3,530	851. 770
3,640	843. 324
3,750	834. 878
3,860	826. 432
3,970	817. 986
4,080	809. 540
4,190	801. 094
4,300	792. 648
4,410	784. 202
4,520	775. 756
4,630	767. 310
4,740	758. 864
4,960	741. 972
5,180	725. 080
5,390	708. 955
5,600	692. 831
5,810	676. 707
6,020	660. 583
6,230	644. 458
6,440 and over	628. 334]

SEC. 201. All hours of work officially ordered or approved in excess of forty hours in any administrative workweek performed by officers or employees to whom this title applies shall be considered to be overtime work and compensation for such overtime work, except as otherwise provided for in this Act, shall be at the following rates:

(a) For officers and employees whose basic compensation is at a rate which does not exceed the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an omount equal to one and one-half times the hourly rate of such officer's or employee's basic compensation, and all of such amount shall be considered premium compensation.

(b) For officers and employees whose basic compensation is at a rate which exceeds the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to one and one-half times the hourly rate of such maximum rate, and all of such amount shall be considered premium compensation.

[SEC. 202. (a) The heads of departments, or of independent establishments or agencies, including Government-owned or controlled corporations, and of the District of Columbia municipal government, and the heads of legislative or judicial agencies to which this title applies, may by regulation provide for the granting of compensatory time off from duty, in lieu of overtime compensation for irregular or occasional duty in excess of forty hours in any regularly scheduled administra-

tive workweek, to those per annum employees requesting such compensatory time off from duty.]

Sec. 202. (a) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, or the municipal government of the District of Columbia (1) may, at the request of any officer or employee, grant such officer or employee compensatory time off from his scheduled tour of duty in lieu of payment for an equal amount of time spent in irregular or occasional overtime work, and (2) may, at his own discretion, provide that any officer or employee, whose rate of basic compensation is in excess of the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, shall be compensated for irregular or occasional overtime work for which compensation would be due under this Act with not more than an equal amount of compensatory time off from his scheduled tour of duty in lieu of such compensation.

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CALL-BACK OVERTIME

Sec. 203. For the purposes of this Act, any unscheduled overtime work performed by any officer or employee on a day when no work was scheduled for him, or for which he is required to return to his place of employment, shall be considered to be at least two hours in duration.

TIME IN TRAVEL STATUS

Sec. 204. For the purpose of this Act, time spent in a travel status away from the official-duty station of any officer or employee shall be considered as hours of employment only when (a) within the days and hours of such officer's or employee's regularly scheduled administrative workweek, including regularly scheduled overtime hours, or (b) when the travel involves the performance of work while traveling or is carried out under arduous conditions.

Sec. [203] 205. Employees whose basic rate of compensation is fixed on an annual or monthly basis and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose shall be entitled to overtime pay in accordance with the provisions of section 23 of the Act of March 28, 1934 (U. S. C., 1940 edition, title 5, sec. 673c). The rate of compensation for each hour of overtime employment of any such employee shall be computed as follows:

(a) If the basic rate of compensation of the employee is fixed on an annual basis, divide such basic rate of compensation by two thousand and eighty and multiply the quotient by one and one-half; and

(b) If the basic rate of compensation of the employee is fixed on a monthly basis, multiply such basic rate of compensation by twelve to derive a basic annual rate of compensation, divide such basic annual rate of compensation by two thousand and eighty, and multiply the quotient by one and one-half.

* * * * * * *

[Sec. 301. (a) Any officer or employee to whom this title applies who is assigned to a regularly scheduled tour of duty, any part of which, including overtime, falls between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian, shall, for duty between such hours, excluding periods when he is in a leave status, be paid compensation at a rate 10 per centum in excess of his rate of basic compensation for duty between other hours: *Provided*, That such differential for night duty shall not be included in computing any overtime compensation to which the officer or employee may be entitled: *And provided further*, That this section shall not operate to modify the provisions of the Act of July 1, 1944 (Public Law Numbered 394, Seventy-eighth Congress), or any other law authorizing additional compensation for night work.]

Sec. 301. (a) Any regularly scheduled work between the hours of six o'clock postmeridian and six o'clock antemeridian (including periods of absence with pay during such hours due to holidays, and any such hours within periods of leave with pay if such periods total less than eight hours during any pay period) shall be considered night work, except as provided in subsection (b), and any officer or employee performing such work to whom this title applies shall be compensated for it at his rate of basic compensation plus premium compensation amounting to 10 per centum of such rate, unless otherwise provided in this Act, and except that this section shall not operate to modify the provisions of the Act of July 1, 1944 (Public Law Numbered 394, Seventy-eighth Congress), or any other law authorizing additional compensation for night work.

(b) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, may designate any time after six o'clock

postmeridian and any time before six o'clock antemeridian as the beginning and end, respectively, of night work for the purpose of subsection (a) at any post outside the several States and the District of Columbia where customary hours of business extend into the hours of night work provided by such subsection.

[SEC. 302. Any officer or employee to whom this title applies who is assigned to duty on a holiday designated by Federal statute or Executive order during hours which fall within his basic administrative workweek of forty hours shall be compensated for not to exceed eight hours of such duty, excluding periods when he is in a leave status, in lieu of his regular rate of basic compensation for such duty, at the rate of twice such regular rate of basic compensation, in addition to any extra compensation for night duty provided by section 301 of this Act: *Provided*, That extra holiday compensation paid under this section shall not serve to reduce the amount of overtime compensation to which the employee may be entitled under this or any other Act during the administrative workweek in which the holiday occurs, but such extra holiday compensation shall not be considered to be a part of the basic compensation for the purpose of computing such overtime compensation. This section shall take effect upon the cessation of hostilities in the present war as proclaimed by the President, or at such earlier time as the Congress by concurrent resolution may prescribe. Prior to so becoming effective, it shall be effective with respect to any designated holiday only if the President has declared that such day shall not be generally a workday in the Federal service.]

SEC. 302. (a) All work not exceeding eight hours, which is not overtime work as defined in section 201 of this Act and which is performed on a holiday designated by Federal statute or Executive order, shall be compensated at the rate of basic compensation of the officer or employee performing such work on a holiday plus premium compensation at a rate equal to such officer's or employee's rate of basic compensation. Any officer or employee who is required to perform any work on such a holiday shall be compensated for at least two hours of such work, and any such premium compensation due under the provisions of this section shall be in addition to any premium compensation which may be due for the same work under the provisions of section 301 of this Act providing premium compensation for nightwork.

(b) Overtime work, as defined in section 201 of this Act, on Sundays and such holidays shall be compensated in accordance with the provisions of such section 201.

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TITLE IV—SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK

SEC. 401. The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, or the municipal Government of the District of Columbia may, with the approval of the Civil Service Commission, provide that—

(a) any officer or employee in a position requiring him to regularly remain at, or within the confines of, his station during longer than ordinary periods of duty, a substantial part of which consists of remaining in a standby status rather than performing work, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this Act. Premium compensation under this subsection shall be determined as an appropriate percentage (not in excess of 25 per centum) of such part of the basic compensation for any such position as does not exceed the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, by taking into consideration the number of hours of actual work required in such positions, the number of hours required in a standby status at or within the confines of the station, the extent to which the duties of such position are made more onerous by night or holiday work, or by being extended over periods of more than forty hours a week, and any other relative factors; or

(b) any officer or employee in a position in which the hours of duty cannot be controlled administratively, and which requires substantial amounts of irregular, unscheduled, overtime duty and duty at night and on holidays with the officer or employee generally being responsible for recognizing, without supervision, circumstances which require him to remain on duty, shall receive premium compensation for such day on an annual basis in lieu of premium compensation provided by any other provisions of this Act, except for regularly scheduled overtime duty. Premium compensation under this subsection shall be determined as an appropriate percentage (not in excess of 15 per centum) of such part of the rate of basic compensation for any such position as does not exceed the maximum scheduled

rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, by taking into consideration the frequency and duration of night, holiday, and unscheduled overtime duty required in such position.

* * * * * * *

[LIMITATIONS ON REDUCTIONS AND INCREASES IN COMPENSATION

[Sec. 603. (a) The aggregate per annum rate of compensation with respect to any pay period, in the case of any full-time employee in the service on July 1, 1945, (1) who was a full-time employee on June 30, 1945, (2) whose per annum basic rate of compensation on June 30, 1945, did not exceed a rate of $1,800 per annum, and (3) whose compensation is fixed in accordance with the provisions of the Classification Act of 1923, as amended, or the Act entitled "An Act to adjust the compensation of certain employees in the Customs Service", approved May 29, 1928, as amended, shall not, under the rates of compensation established by this Act, so long as he continues to occupy the position he occupied on June 30, 1945, be less than his per annum basic rate of compensation on such date, plus the rate of $300 per annum or 25 per centum of such per annum basic rate of compensation, whichever is the smaller amount.

[(b) Notwithstanding any other provision of this Act, no officer or employee shall, by reason of the enactment of this Act, or any amendment thereto, be paid, with respect to any pay period, basic compensation, or basic compensation plus any additional compensation provided by this Act, at a rate in excess of $10,330 per annum, except that (1) any officer or employee who was receiving overtime compensation on June 30, 1945, and whose aggregate rate of compensation on such date was in excess of $10,000 per annum may receive overtime compensation at such rate as will not cause his aggregate rate of compensation for any pay period to exceed the aggregate rate of compensation he was receiving on June 30, 1945, until he ceases to occupy the office or position he occupied on such date or until the overtime hours of work in his administrative workweek are reduced by action of the head of his department or independent establishment or agency, or Government owned or controlled corporation, and when such overtime hours are reduced such rate of overtime compensation shall be reduced proportionately, and (2) any officer or employee who, because of the receipt of additional compensation in lieu of overtime compensation, was receiving aggregate compensation at a rate in excess of $10,000 per annum on June 30, 1945, may continue to receive such rate of aggregate compensation so long as he continues to occupy the office or position he occupied on such date but in no case beyond June 30, 1947.]

LIMITATION ON PREMIUM COMPENSATION

Sec. 603. No premium compensation provided by this Act shall be paid to any officer or employee whose rate of basic compensation exceeds the maximum scheduled rate of basic compensation provided for grade GS–15 in the Classification Act of 1949, as amended, or when any such premium compensation would cause such officer's or employee's rate of compensation, including basic compensation and premium compensation provided by this Act, to exceed such maximum rate with respect to any pay period.

ESTABLISHMENT OF BASIC WORKWEEK; PAY COMPUTATION METHODS

Sec. 604. (a) (*1*) It shall be the duty of the heads of the several departments and independent establishments and agencies in the executive branch, including Government-owned or controlled corporations, and the District of Columbia municipal government, to establish as of the effective date of this Act, for all full-time officers and employees in their respective organizations, in the departmental and the field services, a basic administrative workweek of forty hours, and to require that the hours of work in such workweek be performed within a period of not more than six of any seven consecutive days.

(*2*) *The head of each such department, establishment, and agency and the municipal government of the District of Columbia shall provide with respect to all officers and employees in his respective organization, except where he determines that such organization would be seriously handicapped in carrying out its functions or that costs would be substantially increased, that (A) assignments to tours of duty shall be scheduled in advance over periods of not less than one week, (B) the basic workweek shall be forty hours, (C) such forty hours shall be scheduled on five days, which shall be Monday through Friday wherever possible, and the two days outside the basic*

workweek shall be consecutive, (D) the working hours in each day in the basic workweek shall be the same, (E) the basic nonovertime workday shall not exceed eight hours, (F) the occurrence of holidays shall not affect the designation of the basic workweek, and (G) breaks in working hours of more than one hour shall not be scheduled in any basic workday.

* * * * * * *

AN ACT To authorize certain administrative expenses in the Government service, and for other purposes (60 Stat. 809; 5 U. S. C. 116a)

* * * * * * *

[SEC. 14. The head of each department is authorized, under such rules and regulations as the President may prescribe, to pay cash awards to civilian officers and employees (or to their estates) who make meritorious suggestions which will result in improvement or economy in the operations of his department and which have been adopted for use and to incur necessary expenses for the honorary recognition of exceptional or meritorious service: *Provided*, That no award shall be paid to any officer or employee for any suggestion which represents a part of the normal requirements of the duties of his position. With the exception of the War and Navy Departments, the amount of any one award shall not exceed $1,000 and the total of cash awards paid during any fiscal year in any department shall not exceed $25,000. Payments may be made from the appropriation for the activity primarily benefiting or may be distributed among appropriations for activities benefiting as the head of the department determines. A cash award shall be in addition to the regular compensation of the recipient and the acceptance of such cash award shall constitute an agreement that the use by the United States of the suggestion for which the award is made shall not form the basis of a further claim of any nature upon the United States by him, his heirs or assigns.

[All other Acts or parts of Acts in conflict with the provisions of this section are hereby repealed.]

* * * * * * *

AN ACT Authorizing payments of rewards to postal employees for inventions (59 Stat. 591)

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Postmaster General is authorized, under such rules and regulations as he may prescribe, to pay a cash reward for any invention, suggestion, or series of suggestions submitted by one or more employees of the Post Office Department or the Postal Service, which will clearly effect a material economy or increase efficiency in the administration or operation of the Post Office Department or the Postal Service, and which has been adopted for use.

[The total amount of rewards made under this Act in any one fiscal year shall not exceed $25,000 and the amount so paid for any one invention, suggestion, or series of suggestions shall not exceed $1,000.

[Rewards made under this Act shall be paid out of the appropriation for the postal activity primarily benefiting, or may be distributed among appropriations for postal activities benefiting, as the Postmaster General may determine. Payments shall be in addition to the regular compensation of the employee receiving the reward. No employee shall be paid a reward under this Act until he has properly executed an agreement to the effect that the use by the United States of the invention, suggestion, or series of suggestions made by him shall not form the basis of a further claim of any nature upon the United States by him, his heirs, or assigns.]

AN ACT Authorizing the Secretary of War to pay a cash award for suggestions submitted by employees of certain establishments of the Ordnance Department for improvement or economy in manufacturing processes or plant (37 Stat. 193; 50 U. S. C. 58)

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of War is hereby authorized to offer periodically at such of the establishments of the Ordnance Department as he may select a cash reward for the suggestion, or series of suggestions, for an improvement or economy in manufacturing processes or plant, submitted within the period by one or more employees of the establishment which shall be deemed the most valuable of those submitted and adopted for use: *Provided*, That to obtain this reward the winning suggestion must be one that will clearly effect a

material economy in production or increase efficiency or enhance the quality of the product in comparison with its cost and in the opinion of the Secretary shall be so worthy as to entitle the employee making the same to receive the reward: *Provided further*, That the sums awarded to employees in accordance with this Act shall be paid them in addition to their usual compensation and shall constitute part of the general or shop expense of the establishment: *Provided further*, That the total amount paid under the provisions of this Act shall not exceed one thousand dollars for any one month: *And provided further*, That no employee shall be paid a reward under this Act until he has properly executed an agreement to the effect that the use by the United States of the suggestion, or series of suggestions, made by him shall not form the basis of a further claim of any nature upon the United States by him, his heirs, or assigns, and that application for patent has not been made for the invention.]

AN ACT To provide equitable compensation for useful suggestions or inventions by personnel of the Department of the Interior (58 Stat. 360; 5 U. S. C. 500)

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Interior is authorized to pay cash rewards, subject to such regulations as he shall prescribe, to officers and employees of the Department of the Interior, who, in the course of their employment, and subsequent to November 17, 1942, make suggestions or inventions which are of such a nature that their adoption would result in improved technological or scientific processes or methods, or in improvements in the administration or operations of the Department of Interior. The amount expended for the payment of such rewards during any one fiscal year shall not exceed $20,000 in the aggregate and shall not exceed $1,000 to any one person, unless a greater amount is specifically appropriated for a named person in an exceptionally meritorious case. For the purposes of this Act, the Secretary of the Interior is authorized and directed to set up in the Department a Board of Awards, the proceedings of which shall be available to the public. Nothing in this Act shall be taken or construed as amending or modifying the present patent and trade-mark laws as they now exist or may hereafter be amended.]

AN ACT To enact certain provisions now included in the Naval Appropriation Act, 1946, and for other purposes (60 Stat. 857; 5 U. S. C. 416)

* * * * * * *

SEC. 35. [(a) The Secretary of the Navy is authorized, in his discretion and under such rules and regulations as he may prescribe, to pay cash rewards to civilian personnel of the Naval Establishment or other persons in civil life when, due to a suggestion or series of suggestions by them, there results an improvement or economy in manufacturing process or plant or naval material, or in efficiency or economy in the operation or administration of the Navy Department or the Naval Establishment. Such sums as may be awarded to employees in accordance with this section shall be paid them out of naval appropriations in addition to their usual compensation. No employee or other person in civil life shall be paid a reward under this section until he has properly executed an agreement to the effect that the use by the United States of the suggestion or series of suggestions made by him shall not form the basis of a further claim of any nature against the United States by him, his heirs, or assigns.

[(b) Except as provided in subsection (a) hereof, civilian personnel of the Naval Establishment shall not be paid any premium or bonus or cash reward in addition to their regular salaries.]

* * * * * * *

JOINT RESOLUTION To provide cash awards to personnel of the Maritime Commission and the War Shipping Administration for useful suggestions to improve administration of their activities (58 Stat. 115; 46 U. S. C. 1111b)

[*Resolved by the Senate and House of Representatives of the United States of America in Congress Assembled*, That the United States Maritime Commission is authorized to pay cash awards for suggestions submitted to it by any of its officers or employees in cases where the suggestion, in the opinion of the Commission or of a committee designated by it, would, if adopted, make for substantially increased efficiency, economy, or general improvement in carrying out the duties,

powers, or functions of the Commission. Such suggestions shall be submitted and such awards shall be made under such rules and regulations as the Commission may prescribe, including provision for transfer to the United States of all rights or interests of the officer or employee in the suggestion. The provisions of this section shall apply in like manner to the War Shipping Administration and its officers and employees, and for the purpose of this section the terms "United States Maritime Commission" and "Commission" shall be deemed to refer to the War Shipping Administration. The total amount of cash awards made under this joint resolution in any fiscal year shall not exceed $5,000 for each such agency, and the amount paid for any one suggestion shall not exceed $250 for any one suggestion, except in case of a patentable idea, it may be not more than $1,000.]

Section 5 (i) of the Act of May 18, 1933

(i) To request the assistance and advice of any officer, agent, or employee of any executive department or of any independent office of the United States, to enable the Corporation the better to carry out its powers successfully, and as far as practicable shall utilize the services of such officers, agents, and employees, and the President shall, if in his opinion, the public interest, service, or economy so require, direct that such assistance, advice, and service be rendered to the Corporation, and any individual that may be by the President directed to render such assistance, advice, and service shall be thereafter subject to the orders, rules, and regulations of the board: *Provided*, That any invention or discovery made by virtue of and incidental to such service by an employee of the Government of the United States serving under this section, or by any employee of the Corporation, together with any patents which may be granted thereon, shall be the sole and exclusive property of the Corporation, which is hereby authorized to grant such licenses thereunder as shall be authorized by the board[: *Provided further*, That the board may pay to such inventor such sum from the income from sale of licenses as it may deem proper].

Section 1310 of the Supplemental Appropriation Act, 1952 (Public Law 253, 82d Cong.)

[Sec. 1310. Immediately upon the enactment of this Act and until termination of the national emergency proclaimed by the President on December 16, 1950:

[(a) The Civil Service Commission and the heads of the executive departments, agencies, and corporations shall make full use of their authority to require that initial appointments to positions in and outside the competitive civil service shall be made on a temporary or indefinite basis in order to prevent increases in the number of permanent personnel of the Federal Government above the total number of permanent employees existing on September 1, 1950: *Provided*, That any position vacated by a permanent employee called to military service or transferred to a national defense agency shall not be filled except on a temporary or indefinite basis. All reinstatements and promotions in the Federal civil service shall be made on a temporary or indefinite basis, and all permanent employees who are transferred from one agency to another shall retain their status as permanent employees in the agency to which transferred at the grade or basic pay level of their permanent positions in the agency from which transferred. All appointments, reinstatements, transfers, and promotions to positions subject to the Classification Act of 1949 shall be made with the condition and notice to each individual appointed, reinstated, transferred, or promoted that the classification grade of the position is subject to post-audit and correction by the appropriate departmental or agency personnel office or the Civil Service Commission. All transfers of permanent employees made on a temporary or indefinite basis since September 1, 1950, shall be changed to a permanent basis as of the effective date of this Act: *Provided*, That such employees shall retain their status as permanent employees in the agency to which transferred at the grade or basic pay level of their permanent positions in the agency from which transferred.

[(b) The Civil Service Commission shall facilitate the transfer of Federal employees from nondefense to defense activities and encourage the retention of employees in defense activities, and shall provide reemployment rights for permanent employees in the activities from which such employees are transferred.

[(c) The Civil Service Commission shall make full use of its authority to prevent excessively rapid promotions in the competitive civil service and to provide correction of improper allocations to higher grades of positions subject to the Classification Act of 1949, as amended. No person in any executive department or agency whose position is subject to the Classification Act of 1949, as amended, shall be promoted or transferred to a higher grade subject to such Act without having served at least one year in the next lower grade: *Provided*, That the Civil Service Commission for positions in the competitive service and the head of the employing agency for positions outside the competitive service may by regulation provide for promotions of two grades in one year (1) to positions not higher than GS–5; (2) to positions not higher than GS–11 which are in a line of work properly classified under the Classification Act of 1949 at two-grade intervals; (3) to positions in the same line of work when the employee has completed a training period under a training program approved by the Civil Service Commission for positions in the competitive service, or approved by the head of the employing agency for positions outside the competitive service; and (4) of an employee of the agency concerned when there is no position in the normal line of promotion in the grade immediately below that of the position to be filled: *Provided further*, That this subsection shall not apply to any case involving an employee who is within reach for appointment to a higher grade position on a competitive civil service register, or being advanced up to a grade level from which he had been demoted or separated because of reduction in force.

[(d) From time to time, but at least annually, each executive department and agency shall (1) review all positions which since September 1, 1950, have been created or placed in a higher grade or level of difficulty and responsibility of work or in a higher basic pay level, (2) abolish all such positions which are found to be unnecessary, (3) with respect to such positions which are found to be necessary, make such adjustments as may be appropriate in the classification grades of those positions which are subject to the Classification Act of 1949, as amended, or in the basic pay levels of those positions which are subject to other pay-fixing authority. Not later than July 31 of each year each department and agency shall submit a report to the Post Office and Civil Service Committees and Appropriations Committees of the Senate and House of Representatives concerning the action taken under his paragraph, together with information comparing the total number of employees on the payroll on June 30 and their average grade and salary with similar information for the previous June 30, and each annual supplemental budget estimate shall include a statement comparing the average grade and salary provided for in each item of appropriation or fund allowance therein with similar figures reported for the two previous periods.]

○

Calendar No. 1195

83D CONGRESS
2D SESSION

S. 2665

[Report No. 1190]

IN THE SENATE OF THE UNITED STATES

JANUARY 11 (legislative day, JANUARY 7), 1954

Mr. CARLSON introduced the following bill; which was read twice and referred to the Committee on Post Office and Civil Service

APRIL 6 (legislative day, APRIL 5), 1954

Reported by Mr. CARLSON, with amendments

[Omit the part struck through and insert the part printed in italic]

A BILL

To amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO THE CLASSIFICATION ACT OF 1949, AS AMENDED

SEC. 101. This title may be cited as the "Classification Act Amendments of 1954".

SEC. 102. The Classification Act of 1949, as amended, is further amended as follows:

(a) Paragraph (7) of section 202 is amended to read as follows:

"(7) employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semi-skilled, or skilled manual-labor occupations, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and knowledge as the paramount requirement, and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experience, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine operations: *Provided*, That the compensation of such employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates: *Provided further*, That ~~in any area where in the opinion of the employing agency the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees may with the approval of the Civil Service Commission be paid administratively at rates payable under the Classification Act of 1949, as amended, for positions of equivalent difficulty or responsibility~~ *whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make*

prevailing rate determinations impracticable, such employee or employees shall be subject to the provisions of the Classification Act of 1949, as amended, which are applicable to positions of equivalent difficulty or responsibility;".

(b) Section 505 is amended to read as follows:

"SEC. 505. (a) No position shall be placed in grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission.

"(b) No position shall be placed in or removed from grade 18 of the General Schedule except by the President upon recommendation of the Commission.

"(c) There shall not be more than seven hundred positions in grades 16, 17, and 18 of the General Schedule at any one time: *Provided, That positions that may be established under the proviso of section 203 (b) (1) of the Act of August 2, 1946 (60 Stat. 836) may be in addition to these seven hundred.*"

(c) Section 601 is amended to read as follows:

"SEC. 601. There is hereby established for positions to which this Act applies a basic compensation schedule to be known as the 'General Schedule', the symbol for which shall be 'GS'."

(d) Section 602 is amended as follows:

(1) Strike out the "(a)" after "SEC. 602."

1 (2) Subsection (b) of said section is hereby repealed.
2 (e) Section 603 is amended as follows:
3 (1) Subsection (a) of said section is amended to read
4 as follows:
5 "(a The rates of basic compensation with respect to
6 officers, employees, and positions to which this Act applies
7 shall be in accordance with the compensation schedule con-
8 tained in subsection (b)."
9 (2) Subsection (c) of said section is hereby repealed.
10 (3) Subsection (d) of said section is relettered and
11 amended to read as follows:
12 "(c) Whenever payment is made on the basis of a
13 daily, hourly, weekly, biweekly, or monthly rate, such rate
14 shall be computed from the appropriate annual rate specified
15 in subsection (b) by the method prescribed in section 604
16 (d) of the Federal Employees Pay Act of 1945, as
17 amended."
18 (f) Section 604 is amended to read as follows:
19 "SEC. 604. Employees receiving basic compensation at
20 a rate authorized by law, immediately prior to the effective
21 date of this title, in excess of the appropriate new rate of
22 the grade as determined under paragraphs (1) to (10),
23 inclusive, of section 604 (b) of this Act, as in effect prior to
24 the date of enactment of the Classification Act Amendments
25 of 1954, may continue to receive such rate so long as they

remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this Act."

(g) Section 703 is amended as follows:

(1) Subsection (a) is amended by striking out the words "change of grade or rate of basic compensation except such change as may be prescribed by any provision of law of general application" and inserting in lieu thereof the words "increase in grade or rate of basic compensation except such increase as may be prescribed by any provision of law of general application".

~~(1)~~ *(2)* Subsection (b) (1) is amended to read as follows:

"(b) (1) No officer or employee shall be entitled to a longevity step increase while holding a position in any grade above grade 15 of the General Schedule."

~~(2)~~ *(3)* Subsection (c) is amended by striking out "section 604 (b) (11), section 1105 (b)" and inserting in lieu thereof "section 604 or section 1105 (b) of this Act, or section 103 (b) (4) of the Classification Act Amendments of 1954".

(h) Section 704 of such Act is amended by adding at the end thereof a new sentence as follows: "Service immediately preceding the date of enactment of the Classification

1 Act Amendments of 1954 shall be counted toward longevity
2 step increases under section 703 in the case of persons in
3 grades 11 to 15, inclusive, who on such date are receiving
4 compensation at the maximum scheduled rates for their
5 respective grades."

6 (i) Section 802 (b) is amended by striking out "section
7 604 (b) (11), section 1105 (b)" and inserting in lieu
8 thereof "section 604 or section 1105 (b) of this Act or
9 section 103 (b) (4) of the Classification Act Amendments
10 of 1954".

11 (j) Section 803 is amended to read as follows:

12 "SEC. 803. (a) Whenever the Commission shall find
13 (1) that a sufficient number of qualified eligibles for posi-
14 tions in a given class cannot be secured in one or more areas
15 or locations at the existing minimum rate for such class, and
16 (2) that there is a possibility that a sufficient number of
17 such eligibles can be secured by increasing the minimum rate
18 for such class in such areas or locations to one of the higher
19 rates within the grade in which such class is placed, the
20 Commission may establish such higher rate as the minimum
21 rate for that class in each area or location concerned.

22 "(b) Minimum rates established under subsection (a)
23 may be revised from time to time by the Commission. Such
24 actions or revisions shall have the force and effect of law.

25 "(c) Any increase in rate of basic compensation result-

1 ing from the establishment of new minimum rates under this
2 section shall not be regarded as an 'equivalent increase' in
3 compensation within the meaning of title VII."

4 SEC. 103. (a) Not later than the first day of the first
5 pay period which begins six months after the enactment of
6 this Act, all positions in the Crafts, Protective, and Custo-
7 dial Schedule of the Classification Act of 1949, as amended,
8 not excluded from such Act by section 202 (7) thereof,
9 as amended herein, shall be placed in corresponding grades
10 of the General Schedule as set forth below:

Grade of the Crafts, Protective, and Custodial Schedule	Corresponding new grade of the General Schedule
1	1
2	1
3	1
4	2
5	3
6	4
7	5
8	6
9	7
10	8

11 (b) The rates of basic compensation of officers and
12 employees to whom this section applies shall be initially
13 adjusted as follows:

14 (1) If the employee is receiving a rate of basic com-
15 pensation less than the minimum scheduled rate of the grade
16 in which his position is placed, his compensation shall be
17 increased to the minimum rate;

18 (2) If the employee is receiving a rate of basic compen-

1 sation within the range of salary, *including longevity rates,*
2 prescribed for the grade in which his position is placed, at
3 one of the rates fixed therein, no change shall be made in
4 his existing rate;

5 (3) If the employee is receiving a rate of basic compen-
6 sation within the range of salary, *including longevity rates,*
7 prescribed for the grade in which his position is placed,
8 but not at one of the rates fixed therein, his compensation
9 shall be increased to the next higher rate;

10 (4) If the employee is receiving a rate of basic compen-
11 sation in excess of the maximum ~~scheduled~~ rate, *including*
12 *longevity rates,* for the grade in which his position is initially
13 placed, he shall continue to receive basic compensation with-
14 out change in rate until (a) he leaves such position, or (b)
15 he is entitled to receive basic compensation at a higher rate
16 by reason of the operation of other provisions of the Classifi-
17 cation Act of 1949, as amended; but when any such position
18 becomes vacant, the rate of basic compensation of any subse-
19 quent appointee shall be fixed in accordance with the
20 provisions of the Classification Act of 1949, as amended; and

21 (5) The conversion to grades of the general schedule of
22 positions covered by this section, and the initial adjustments
23 in compensation as prescribed herein, shall not be construed
24 to be transfers or promotions within the meaning of section

802 (b) of the Classification Act of 1949, as amended, and the regulations issued thereunder.

SEC. 104. (a) With respect to any employee and position, which, immediately prior to the date of enactment of this Act, is subject to the Classification Act of 1949, as amended, but to which section 102 (a) of this title applies, this title shall take effect on the date or dates specified by the head of the respective department, but not later than the first day of the first pay period which begins after twelve months following the date of enactment of this Act.

~~(b) Employees to whom sections 102 (a) and 103 of this title apply shall continue to receive compensation at rates prescribed for the grades of their respective positions by the Classification Act of 1949, as amended, in effect on the date of enactment of this Act, until their compensation shall have been fixed in accordance with the provisions of this title.~~

(b) With respect to employees and positions to which sections 102 (a) and 103 of this title apply, the provisions of the Classification Act of 1949, as amended, and any provisions of law and regulations controlling pay adjustments which were in effect on the date of enactment of this Act, shall continue in effect for any such employee or position until

1 *compensation shall have been fixed in accordance with the*
2 *provisions of this title.*

3 SEC. 105. The Commission is hereby authorized to issue
4 such regulations as may be necessary for the administration
5 of this title.

6 SEC. 106. Nothing contained in this title shall be con-
7 strued to decrease the existing compensation of any present
8 employee, but when his position becomes vacant, any sub-
9 sequent appointee to such position shall be compensated in
10 accordance with the regular schedule applicable to such
11 position.

12 TITLE II—PREMIUM COMPENSATION

13 SEC. 201. This title may be cited as the "Premium
14 Compensation Act of 1954".

15 SEC. 202. The Federal Employees Pay Act of 1945, as
16 amended, is further amended as follows:

17 (a) Section 101 is amended as follows:

18 (1) Subsection (a) is amended by striking out "titles
19 II and III" and inserting in lieu thereof "titles II, III, and
20 IV".

21 (2) Subsection (b) is repealed.

22 COMPENSATION FOR OVERTIME WORK

23 (b) Section 201 is amended to read as follows:

24 "SEC. 201. All hours of work officially ordered or
25 approved in excess of forty hours in any administrative

1 workweek performed by officers or employees to whom
2 this title applies shall be considered to be overtime work
3 and compensation for such overtime work, except as other-
4 wise provided for in this Act, shall be at the following
5 rates:

6 "(a) For officers and employees whose basic com-
7 pensation is at a rate which does not exceed the maximum
8 scheduled rate of basic compensation provided for grade
9 GS–9 in the Classification Act of 1949, as amended, the
10 overtime hourly rate of compensation shall be an amount
11 equal to one and one-half times the hourly rate of such
12 officer's or employee's basic compensation, and all of such
13 amount shall be considered premium compensation.

14 "(b) For officers and employees whose basic com-
15 pensation is at a rate which exceeds the maximum scheduled
16 rate of basic compensation provided for grade GS–9 in the
17 Classification Act of 1949, as amended, the overtime hourly
18 rate of compensation shall be an amount equal to one and
19 one-half times the hourly rate of such maximum rate, and
20 all of such amount shall be considered premium compen-
21 sation."

22 (c) Section 202 (a) is amended to read as follows:

23 "SEC. 202. (a) The head of any department, inde-
24 pendent establishment, or agency, including Government-
25 owned or controlled corporations, or the municipal govern-

1 ment of the District of Columbia (1) may, at the request
2 of any officer or employee, grant such officer or employee
3 compensatory time off from his scheduled tour of duty in
4 lieu of payment for an equal amount of time spent in
5 irregular or occasional overtime work, and (2) may, at
6 his own discretion, provide that any officer or employee,
7 whose rate of basic compensation is in excess of the maximum
8 scheduled rate of basic compensation provided for grade
9 GS-9 in the Classification Act of 1949, as amended, shall
10 be compensated for irregular or occasional overtime work
11 for which compensation would be due under this Act with
12 not more than an equal amount of compensatory time off
13 from his scheduled tour of duty in lieu of such compensation."
14 (d) (1) Section 203 is redesignated as section 205,
15 and wherever such section number appears in such Act or
16 in any other provision of law it is amended to conform to the
17 redesignation prescribed by this subsection.
18 (2) After section 202, insert the following new sections:
19 "CALL-BACK OVERTIME
20 "SEC. 203. For the purposes of this Act, any unsched-
21 uled overtime work performed by any officer or employee
22 on a day when no work was scheduled for him, or for which
23 he is required to return to his place of employment, shall
24 be considered to be at least two hours in duration.

1 "TIME IN TRAVEL STATUS

2 "SEC. 204. For the purpose of this Act, time spent in a
3 travel status away from the official-duty station of any officer
4 or employee shall be considered as hours of employment only
5 when (a) within the days and hours of such officer's or em-
6 ployee's regularly scheduled administrative workweek, in-
7 cluding regularly scheduled overtime hours, or (b) when the
8 travel involves the performance of work while traveling or
9 is carried out under arduous conditions."

10 COMPENSATION FOR NIGHT AND HOLIDAY WORK

11 (e) Section 301 is amended to read as follows:

12 "SEC. 301. (a) Any regularly scheduled work between
13 the hours of six o'clock postmeridian and six o'clock ante-
14 meridian (including periods of absence with pay during
15 such hours due to holidays, and any such hours within
16 periods of leave with pay if such periods total less than
17 eight hours during any pay period) shall be considered night
18 work, except as provided in subsection (b), and any officer
19 or employee performing such work to whom this title applies
20 shall be compensated for it at his rate of basic compensation
21 plus premium compensation amounting to 10 per centum of
22 such rate, unless otherwise provided in this Act, and except
23 that this section shall not operate to modify the provisions

of the Act of July 1, 1944 (Public Law Numbered 394, Seventy-eighth Congress), or any other law authorizing additional compensation for night work.

"(b) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, may designate any time after six o'clock postmeridian and any time before six o'clock antemeridian as the beginning and end, respectively, of night work for the purpose of subsection (a) at any post outside the several States and the District of Columbia where customary hours of business extend into the hours of night work provided by such subsection."

(f) Section 302 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"SEC. 302. (a) All work not exceeding eight hours, which is not overtime work as defined in section 201 of this Act and which is performed on a holiday designated by Federal statute or Executive order, shall be compensated at the rate of basic compensation of the officer or employee performing such work on a holiday plus premium compensation ~~amounting to one and one-half times such part of such officer's or employee's basic compensation as does not exceed the maximum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, unless otherwise pro-~~

1 ~~vided in this Act~~ *at a rate equal to such officer's or employee's*
2 *rate of basic compensation.* Any officer or employee who is
3 required to perform any work on such a holiday shall be
4 compensated for at least two hours of such work, and any
5 such premium compensation due under the provisions of
6 this section shall be in addition to any premium compensa-
7 tion which may be due for the same work under the
8 provisions of section 301 of this Act providing premium
9 compensation for nightwork.

10 "(b) Overtime work, as defined in section 201 of this
11 Act, on Sundays and such holidays shall be compensated in
12 accordance with the provisions of such section 201."

13 SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK

14 (g) After title III insert a new title as follows:

15 "TITLE IV—SPECIAL PROVISIONS FOR CERTAIN
16 TYPES OF WORK

17 "SEC. 401. The head of any department, independent
18 establishment, or agency, including Government-owned or
19 controlled corporations, or the municipal Government of the
20 District of Columbia may, with the approval of the Civil
21 Service Commission, provide that—

22 "(a) any officer or employee in a position requir-
23 ing him to regularly remain at, or within the confines
24 of, his station during longer than ordinary periods of
25 duty, a substantial part of which consists of remaining

1 in a standby status rather than performing work, shall
2 receive premium compensation for such duty on an
3 annual basis in lieu of premium compensation provided
4 by any other provisions of this Act. Premium compensa-
5 tion under this subsection shall be determined as an ap-
6 propriate percentage (not in excess of 25 per centum)
7 of such part of the basic compensation for any such posi-
8 tion as does not exceed the maximum scheduled rate of
9 basic compensation provided for grade GS–9 in the
10 Classification Act of 1949, as amended, by taking into
11 consideration the number of hours of actual work re-
12 quired in such positions, the number of hours required
13 in a standby status at or within the confines of the sta-
14 tion, the extent to which the duties of such position are
15 made more onerous by night or holiday work, or by
16 being extended over periods of more than forty hours a
17 week, and any other relative factors; or

18 "(b) any officer or employee in a position in which
19 the hours of duty cannot be controlled administratively,
20 and which requires substantial amounts of irregular,
21 unscheduled, overtime duty and duty at night and on
22 holidays with the officer or employee generally being
23 responsible for recognizing, without supervision, circum-
24 stances which require him to remain on duty, shall
25 receive premium compensation for such ~~day~~ *duty* on an

1 annual basis in lieu of premium compensation provided
2 by any other provisions of this Act, except for regularly
3 scheduled overtime duty. Premium compensation under
4 this subsection shall be determined as an appropriate per-
5 centage (not in excess of 15 per centum) of such part of
6 the rate of basic compensation for any such position as
7 does not exceed the maximum scheduled rate of basic
8 compensation provided for grade GS–9 in the Classifica-
9 tion Act of 1949, as amended, by taking into considera-
10 tion the frequency and duration of night, holiday, and
11 unscheduled overtime duty required in such position."

12 LIMITATION ON PREMIUM COMPENSATION

13 (h) Section 603 and the heading immediately preceding
14 such section are amended to read as follows:

15 "LIMITATION ON PREMIUM COMPENSATION

16 "SEC. 603. No premium compensation provided by this
17 Act shall be paid to any officer or employee whose rate of
18 basic compensation exceeds the maximum scheduled rate of
19 basic compensation provided for grade GS–15 in the Classi-
20 fication Act of 1949, as amended, or when any such premium
21 compensation would cause such officer's or employee's rate
22 of compensation, including basic compensation and premium
23 compensation provided by this Act, to exceed such maximum
24 rate with respect to any pay period."

1 WORK SCHEDULES

2 (i) (1) The heading immediately preceding section
3 604 is amended to read as follows:
4 "ESTABLISHMENT OF BASIC WORKWEEK; WORK SCHED-
5 ULES; PAY COMPUTATION METHODS"

6 (2) Section 604 (a) is amended by inserting "(1)"
7 after "(a)" and by adding at the end thereof a new para-
8 graph as follows:

9 "(2) The head of each such department, establish-
10 ment, and agency and the municipal government of the
11 District of Columbia shall provide with respect to all officers
12 and employees in his respective organization, except where
13 he determines that such organization would be seriously
14 handicapped in carrying out its functions or that costs would
15 be substantially increased, that (A) assignments to tours
16 of duty shall be scheduled in advance over periods of not
17 less than one week, (B) the basic workweek shall be forty
18 hours, (C) such forty hours shall be scheduled on five days,
19 which shall be Monday through Friday wherever possible,
20 and the two days outside the basic workweek shall be con-
21 secutive, (D) the working hours in each day in the basic
22 workweek shall be the same, (E) the basic nonovertime
23 workday shall not exceed eight hours, (F) the occurrence
24 of holidays shall not affect the designation of the basic work-

1 week, and (G) breaks in working hours of more than one
2 hour shall not be scheduled in any basic workday."
3 (j) This title shall become effective at the beginning of
4 the first pay period beginning after July 1, 1954.

5 TITLE III—GOVERNMENT EMPLOYEES'
6 INCENTIVE AWARDS

7 SEC. 301. This title may be cited as the "Government
8 Employees' Incentive Awards Act".
9 SEC. 302. The departmental awards program set forth
10 in this title shall be carried out under such regulations and
11 instructions as may be issued by the United States Civil
12 Service Commission which shall annually report the results
13 of the program, with related recommendations, to the Presi-
14 dent for transmittal to the Congress.
15 SEC. 303. As used in this title, the term "department"
16 means an executive department or independent agency in the
17 executive branch of the Government, including a Govern-
18 ment-owned or controlled corporation, and also includes (a)
19 the Administrative Office of the United States Courts, (b)
20 the Library of Congress, (c) the Botanic Garden, (d) the
21 Government Printing Office, (e) the Office of the Architect
22 of the Capitol, and (f) the municipal government of the
23 District of Columbia.
24 SEC. 304 (a) The head of each department is authorized

1 to pay cash awards to, and to incur necessary expenses for
2 the honorary recognition of, civilian officers and employees
3 of the Government who by their suggestions, inventions,
4 superior accomplishments, or other personal efforts contribute
5 to the efficiency, economy, or other improvement of Govern-
6 ment operations or who perform special acts or services in
7 the public interest in connection with or related to their
8 official employment.

9 (b) In instances determined by the President to war-
10 rant such action, he is authorized to pay cash awards to, and
11 to incur necessary expenses for the honorary recognition of,
12 civilian officers and employees of the Government who by
13 their suggestions, inventions, superior accomplishments, or
14 other personal efforts contribute to the efficiency, economy,
15 or other improvement of Government operations, or who
16 perform exceptionally meritorious special acts or services in
17 the public interest in connection with or related to their
18 official employment, and any such Presidential awards may
19 be in addition to the departmental awards authorized in
20 subsection (a) of this section.

21 (c) Awards under this section may be paid notwith-
22 standing the death or separation from the service of the offi-
23 cer or employee concerned: *Provided, That the suggestions,*
24 *inventions, superior accomplishments, other personal efforts,*
25 *or special acts or services in the public interest forming the*

1 *basis for the awards are made or rendered while the officer*
2 *or employee is in the employ of the Government.*
3 (d) A cash award under this section shall be in addition
4 to the regular compensation of the recipient and the accept-
5 ance of such cash award shall constitute an agreement that
6 the use by the United States of any idea, method or device
7 for which the award is made shall not form the basis of a
8 further claim of any nature upon the United States by the
9 employee, his heirs, or assigns.
10 (e) Awards to employees and expenses for the honorary
11 recognition of employees may be paid from the funds or
12 appropriations available to the activity primarily benefiting
13 or may be paid from the several funds or appropriations of
14 the various activities benefiting as may be determined by
15 the President for awards under subsection (b) of this sec-
16 tion, and by the ~~heads~~ *head* of the department concerned for
17 awards under subsection (a) of this section.
18 (f) An award under this title shall be given due weight
19 in qualifying and selecting employees for promotion to posi-
20 tions in higher grades.
21 SEC. 305. The following laws and parts of laws are
22 hereby repealed:
23 (a) Sections 702, 1002, and 1003 of the Classification
24 Act of 1949 (63 Stat. 954; 5 U. S. C. 1122, 1152, 1153).
25 (b) Section 14 of the Act entitled "An Act to author-

1 ize certain administrative expenses in the Government
2 service, and for other purposes", approved August 2, 1946
3 (60 Stat. 809; 5 U. S. C. 116a).

4 (c) The Act entitled "An Act authorizing payments of
5 rewards to postal employees for inventions", approved
6 December 3, 1945 (59 Stat. 591; 39 U. S. C. 813).

7 (d) The Act entitled "An Act authorizing the Secre-
8 tary of War to pay a cash award for suggestions submitted
9 by employees of certain establishments of the Ordnance
10 Department for improvement or economy in manufacturing
11 process or plant", approved July 17, 1912 (37 Stat. 193;
12 50 U. S. C. 58).

13 (e) The Act entitled "An Act to provide equitable
14 compensation for useful suggestions or inventions by per-
15 sonnel of the Department of the Interior", approved June
16 26, 1944 (58 Stat. 360; 5 U. S. C. 500).

17 (f) Subsections (a) and (b) of section 35 of the Act
18 entitled "An Act to enact certain provisions now included
19 in the Naval Appropriation Act, 1946, and for other pur-
20 poses", approved August 2, 1946 (60 Stat. 857; 5 U. S. C.
21 416).

22 (g) The joint resolution of March 13, 1944 (ch. 91,
23 58 Stat. 115) (46 U. S. C. 1111b).

24 *(h) The second proviso in section 5 (i) of the Act of*
25 *May 18, 1933 (16 U. S. C. 831).*

(i) All other laws or parts of laws inconsistent with this Act are hereby repealed to the extent of such inconsistency.

SEC. 306. This title shall take effect on the ninetieth day after the date of its enactment.

TITLE IV—UNIFORM ALLOWANCES

SEC. 401. This title may be cited as the "Federal Employees Uniform Allowance Act".

~~SEC. 402. Any civilian officer or employee of the United States who is required by regulation now existing or by law to wear a prescribed uniform in the performance of his or her official duties, and who is not being furnished with such uniform, shall be paid an allowance for defraying the expenses of acquisition and upkeep of such uniform at such times and in such amounts, not to exceed $100 per annum, as may be prescribed by the head of the employing agency in accordance with rules and regulations promulgated pursuant to section 404. Any amounts allowed for such purposes to any officer or employee under the provisions of any other law or regulation shall be deducted from any allowance paid such officer or employee under the provisions of this title.~~

SEC. 402. There is hereby authorized to be appropriated annually to each agency of the Government of the United States or of the District of Columbia (including Government-owned corporations), upon a showing of the necessity or

1 *desirability thereof, an amount not to exceed $100 multiplied*
2 *by the number of the employees of such agency who are re-*
3 *quired by regulation now existing or by law to wear a prescribed*
4 *uniform in the performance of his or her official duties and*
5 *who are not being furnished with such uniform. The head of*
6 *any agency to which any such appropriation is made shall*
7 *pay, out of such appropriation, to each such employee an*
8 *allowance for defraying the expenses of acquisition and*
9 *upkeep of such uniform at such times and in such amounts,*
10 *not to exceed $100 per annum, as may be prescribed by the*
11 *head of such agency in accordance with rules and regulations*
12 *promulgated pursuant to section 404. Where the payment*
13 *of a uniform allowance is authorized under any other provi-*
14 *sion of law or regulation existing on the date of enactment*
15 *of this Act, the head of the agency may in his discretion*
16 *continue the payment of such allowance under such provision*
17 *of law or regulation, but where a uniform allowance is paid*
18 *under any such law or regulation no allowance shall be paid*
19 *under this section.*

20 SEC. 403. Allowances paid under this title shall not be
21 considered as pay, salary, or compensation within the mean-
22 ing of the Civil Service Retirement Act of May 29, 1930,
23 as amended, or as wages within the meaning of section 209
24 of the Social Security Act, as amended, or subchapter A
25 or D of chapter 9 of the Internal Revenue Code, as amended.

1 SEC. 404. The Director of the Bureau of the Budget is
2 authorized and directed to promulgate such rules and regu-
3 lations as may be necessary to provide for the uniform
4 administration of this title.

5 TITLE V—MISCELLANEOUS PROVISIONS

6 SEC. 501. Section 1310 of the Supplemental Appro-
7 priation Act, 1952 (Public Law 253, Eighty-second
8 Congress), as amended, is hereby repealed.

Calendar No. 1195

83D CONGRESS
2D SESSION

S. 2665

[Report No. 1190]

A BILL

To amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

By Mr. CARLSON

JANUARY 11 (legislative day, JANUARY 7), 1954
Read twice and referred to the Committee on Post Office and Civil Service

APRIL 6 (legislative day, APRIL 5), 1954
Reported with amendments

Speaker of the House of Representatives, and each Senator and Representative from Pennsylvania in the Congress of the United States.

"G. HAROLD WATKINS,
"Secretary, Senate of Pennsylvania.

"Approved the 28th day of July A. D. 1953.

"JOHN S. FINE,
"Governor."

By the VICE PRESIDENT:

The petition of Helen L. Lichtweis, of Peoria, Ill., praying for a redress of grievances; to the Committee on the Judiciary.

The petition of David Darrin, Washington, D. C., praying for a redress of grievances (with accompanying papers); to the Committee on the Judiciary.

A resolution adopted by the executive board of Local Sugar Union 804, Guayama, P. R., condemning the action of certain persons in trying to assassinate Members of the House of Representatives; to the Committee on the Judiciary.

The petition of Gerald W. Smith, and sundry other citizens of the State of Connecticut, relating to a "declaration of conscience" made in the address of Mrs. SMITH of Maine in 1950; to the Committee on Rules and Administration.

REVISION OF IMMIGRATION AND NATIONALITY ACT—RESOLUTION OF CITY COUNCIL OF PHILADELPHIA, PA.

Mr. LEHMAN. Mr. President, the City Council of Philadelphia, Pa., on March 18, adopted a resolution calling for drastic revision in the so-called McCarran-Walter Act, the Immigration and Nationality Act of 1952. The terms of this brief resolution express so well the need for the revision of this act that I ask unanimous consent that it be printed in the RECORD, and appropriately referred.

This resolution was introduced in the city council by James A. Finnegan, president of the council, who is to be congratulated on the drafting and sponsorship of this fine expression of a purpose which I hope will soon be achieved.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolution memorializing the United States Congress with respect to the modification of the provisions of the National Immigration Act

Whereas on December 24, 1952, the new Immigration and Nationality Act of 1952 became effective; and

Whereas the plan to codify and consolidate the immigration and naturalization laws presented our lawgivers with an excellent opportunity to remove from our laws pertaining to this important field various features generally felt to be inconsistent with our democratic tradition and to enact a truly modern immigration and naturalization law; and

Whereas the said 1953 National Immigration Act does make an important contribution to human relations within the United States by eliminating all racial barriers in naturalization proceedings; and

Whereas the new law has unfortunately missed the opportunity to remove discrimination among would-be emigrants to the United States by asserting, in effect, through the quotas established therein, that immigrants from northern Europe are more desirable to the United States than immigrants from southern and eastern Europe; and

Whereas the 1952 National Immigration Act violates the American ideal of complete equality of all citizens before the law by providing special tests and penalties for naturalized citizens which do not apply to native-born citizens; and

Whereas both the Republican and Democratic Parties, in the election campaign of 1952, felt impelled to call for a revision of the 1952 National Immigration Act, since the new enactment has been generally described as a "racist, discriminatory, and retrogressive measure," and there is every evidence of concerted belief that the law should be rewritten and a law presented to strike an "intelligent, unbigoted balance between the immigration welfare of America and the prayerful hopes of the unhappy and the oppressed"; and

Whereas although it is necessary and proper that our immigration laws contain provisions to prevent the entry into our country of persons who might engage in espionage and other subversive activities, they should not be used as a device for erecting an iron curtain around our shores and excluding many people who might well contribute greatly to the strengthening of our country: Therefore

Resolved by the Council of the City of Philadelphia, That the Congress of the United States is hereby memorialized to revise the 1952 National Immigration Act, and to provide a modern and democratic immigration system.

Resolved, That a certified copy of this resolution be transmitted to the President of the United States, to the Presiding Officers of the United States Senate and the House of Representatives, to the two Senators from Pennsylvania, and to the Members of the House of Representatives from Philadelphia.

JAMES A. FINNEGAN,
President of City Council.

PRICE SUPPORTS FOR HONEY—LETTER FROM WISCONSIN STATE BEEKEEPERS ASSOCIATION

Mr. WILEY. Mr. President, I present a letter which I have received today from Cornelius C. Meyer, secretary of the Wisconsin State Beekeepers Association, relative to the significant problem of price supports on honey.

It is not generally realized by the public but bees and honey play an extremely crucial role in our agricultural economy.

I ask unanimous consent that Mr. Meyer's letter be printed in the RECORD and referred to the Agricultural Committee.

There being no objection, the letter was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

WISCONSIN STATE
BEEKEEPERS ASSOCIATION,
Appleton, Wis., April 2, 1954.

Senator ALEXANDER K. WILEY,
United States Senate, Senate Office Building, Washington, D. C.

DEAR SENATOR WILEY: The Fox Valley district of the Wisconsin State Beekeepers Association recently met in Appleton. The whole State, which has approximately 10,000 beekeepers, was represented, to some extent, at this meeting. The gathering went on record as favoring a mandatory price support on honey, and as secretary, I have been asked to contact our 10 Congressmen and 2 Senators on this matter.

After the last war the honey market was in a very demoralized condition, with much cutthroat competition, which was forcing many beekeepers into bankruptcy. This was at a time when agricultural authorities were urging more bees for pollination purposes. They have found that some 50 farm crops, especially the legumes, are wholly or in part dependent on the honeybee for pollination of the blossoms to assure a seed crop. These same authorities claim that bees are at least 20 times more valuable to the farmers for this reason than for the honey and wax they produce, which in an average season amounts to about $2 million in this State.

Since honey went under price support several years ago, the market has been much more orderly, and at a price at which most beekeepers could stay in business despite the present high overhead expenses.

Therefore, anything you can do in our favor concerning any new legislation to replace the Agricultural Act of 1949, will be greatly appreciated.

Very truly yours,

CORNELIUS C. MEYER,
Secretary.

REDUCTION OF DAIRY SURPLUSES—DAIRY FARM PROBLEMS—RESOLUTIONS FROM AGRICULTURE COMMITTEE OF WISCONSIN LEGISLATIVE COUNCIL

Mr. WILEY. Mr. President, I was pleased to receive today two important resolutions adopted by the agriculture committee of the Wisconsin Legislative Council, which met at Madison on April 1.

The committee devoted its attention to several extremely significant phases of America's dairy problem.

It addressed itself, for example, to the vital subject of eradicating diseases of dairy cattle, elimination of barriers which interfere with milk distribution across the country, as well as considering other important issues.

I personally have long urged a program of intensive research against brucellosis and other diseases which ravage the livestock industry and which cost such tremendous sums to our dairy farmers. In addition, I have urged the elimination of phony barriers which prevent Wisconsin milk, for example, from entering into other regions of our country.

I know that the resolutions adopted by the agriculture committee will be of great interest to my colleagues in the Senate, and I ask unanimous consent that they be printed in the RECORD at this point and appropriately referred.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE AGRICULTURE COMMITTEE OF THE WISCONSIN LEGISLATIVE COUNCIL AT THE STATE CAPITOL IN MADISON ON APRIL 1, 1954, AND DIRECTED TO THE SECRETARY OF AGRICULTURE, THE CHAIRMEN OF THE SENATE AND HOUSE AGRICULTURE COMMITTEES, AND TO THE ENTIRE WISCONSIN DELEGATION IN CONGRESS

RESOLUTION RELATING TO THE REDUCTION OF DAIRY SURPLUSES

Whereas the Nation now has approximately a 9 billion pound milk equivalent surplus; and

Whereas the estimates indicate that there will be about 3 percent more cows in the next year and a resulting milk equivalent surplus equal to 9 billion pounds; and

Whereas the honorable Secretary of Agriculture has suggested that one device for the reduction of the surplus cows and milk production be the elimination of low-producing animals; and

Whereas there are in the dairy industry animals which tests show react positively to brucellosis, and which, for reasons of the

health of the Nation, ought to be eliminated, since it is transmissible to human beings as undulant fever; and

Whereas to this point the Federal Government has considered it in the public interest to expend Federal funds for the purpose of encouraging the elimination of such animals; and

Whereas there is evidence that the Federal Government has now embarked on a policy of reducing the funds for such purpose with the apparent intent to eliminate them entirely in the budgets currently under consideration: Now, therefore, be it

Resolved, That in order to reduce the existing and anticipated surplus of dairy products and cows and in order to assure the production of milk from disease-free animals in accordance with the present market requirements, the committee on agriculture of the legislative council of the Wisconsin Legislature requests the Secretary of Agriculture and the members of the Wisconsin delegation to Congress to work toward the appropriation of adequate funds to finance a disease-eradication program as a realistic device to reduce surpluses.

Senator WILLIAM E. OWEN, *Chairman.*
Assemblyman FRED RUST, *Vice Chairman.*
Assemblyman RUSSELL PAULSON, *Secretary.*
Senator CHESTER E. DEMPSEY.
Senator PHILIP DOWNING.
Assemblyman CHARLES H. SYKES.
Assemblyman EARL D. HALL.
Assemblyman MARTIN O. MONSON.

RESOLUTION ADOPTED BY THE AGRICULTURE COMMITTEE OF THE WISCONSIN LEGISLATIVE COUNCIL AT THE STATE CAPITOL IN MADISON ON APRIL 1, 1954, AND DIRECTED TO THE SECRETARY OF AGRICULTURE, THE CHAIRMEN OF THE SENATE AND HOUSE AGRICULTURE COMMITTEES, AND TO THE ENTIRE WISCONSIN DELEGATION IN THE CONGRESS

RESOLUTION RELATING TO THE PROBLEMS OF THE WISCONSIN DAIRY FARMER

Whereas the present class 1, 2, and 3 system of buying milk from the farmers has artificially stimulated the production of milk in certain sections of the country and thereby created unnatural competition for the Wisconsin milk producer; and

Whereas this same policy has raised the price of milk to the consumer in such areas so high that many people have been eliminated as consumers; and

Whereas the potential maximum consumption of milk has by no means been reached nor have the full values of milk to the health of our people been realized; and

Whereas the pricing policies of the Federal Government have artificially stimulated the production of milk in certain areas of the United States to the detriment of the stable production of Wisconsin; and

Whereas the unnecessarily restrictive controls on the interstate shipment of milk under the guise of health regulations have reacted adversely on the sale of Wisconsin milk and the reputation of the Wisconsin farmer: Now, therefore, be it

Resolved by the Committee on Agriculture of the Legislative Council of the Wisconsin Legislature, That the Honorable Ezra Taft Benson, Secretary of Agriculture, be, and he hereby is, requested to direct his energies toward the abolition of the Federal price controls in the milk markets of the United States which are artificially stimulating milk production in certain areas to the detriment of the long-established dairy industry of Wisconsin; and be it further

Resolved, That the Secretary be urged to make every effort to remove the unnecessarily restrictive controls over milk production under the guise of health which are inhibiting the legitimate distribution of the milk produced in Wisconsin; and be it further

Resolved, That a copy of this resolution be sent to the Honorable Ezra Taft Benson and to each member of the Wisconsin delegation in the Congress of the United States.

Senator WILLIAM E. OWEN, *Chairman.*
Assemblyman FRED RUST, *Vice Chairman.*
Assemblyman RUSSELL PAULSON, *Secretary.*
Senator CHESTER E. DEMPSEY.
Senator PHILIP DOWNING.
Assemblyman EARL D. HALL.
Assemblyman MARTIN O. MONSON,
Assemblyman CHARLES H. SYKES.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DUFF, from the Committee on Armed Services, without amendment:

S. 22. A bill to validate certain payments for accrued leave made to members of the Armed Forces who accepted discharges for the purpose of immediate reenlistment for an indefinite period (Rept. No. 1187);

S. 1754. A bill to amend the Dependents Assistance Act of 1950, as amended, so as to provide punishment for fraudulent acceptance of benefits thereunder (Rept. No. 1188);

H. R. 5416. A bill to authorize the advancement of certain lieutenants on the retired list of the Navy (Rept. No. 1189); and

H. R. 5627. A bill to amend Public Law 472, 81st Congress, approved April 11, 1950, entitled "An act to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study" (Rept. No. 1192).

By Mr. HENDRICKSON, from the Committee on Armed Services:

H. R. 7512. A bill to provide for the conveyance of the federally owned lands which are situated within Camp Blanding Military Reservation, Fla., to the armory board, State of Florida, in order to consolidate ownership and perpetuate the availability of Camp Blanding for military training and use; with amendments (Rept. No. 1191).

By Mr. MUNDT, from the Committee on Government Operations, without amendment:

S. 3197. A bill to authorize the acceptance of conditional gifts to further the defense effort (Rept. No. 1193);

H. R. 232. A bill to provide for the conveyance to the State of Indiana of certain surplus real property situated in Marion County, Ind. (Rept. No. 1194); and

H. R. 3477. A bill to extend to the Canal Zone government and the Panama Canal Company provisions of the act entitled "An act to facilitate the settlement of the accounts of certain deceased civilian officers and employees of the Government," approved August 3, 1950 (Rept. No. 1195).

GOVERNMENT EMPLOYEES FRINGE BENEFITS—REPORT OF A COMMITTEE

Mr. CARLSON. Mr. President, from the Committee on Post Office and Civil Service, I report favorably, with amendments, the bill (S. 2665) to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes, and I submit a report (No. 1190) thereon. The bill was unanimously approved by the members of the Committee on Post Office and Civil Service.

Mr. President, I urge the Members of the Senate to familiarize themselves with the bill and the report and sincerely hope that we can secure early consideration of the bill by the Senate.

The proposed legislation is of vital importance to 2¼ million Federal employees. It provides for classified workers many benefits and privileges such as are now provided by private industry. Included among the provisions of the bill are the repeal of the so-called Whitten amendment, which has for more than 3 years imposed restrictions on Federal personnel management.

The so-called crafts, protective, and custodial schedule under the Classification Act would be abolished and 69,000 CPC employees would come under the terms of the Wage Board to be paid on the basis of prevailing wage rates. Forty-seven thousand would be transferred to the general schedule of the Classification Act, and in the majority of cases there will be an increase in basic compensation, but in no event will there be a reduction in compensation.

The Civil Service Commission is authorized to recruit persons for hard-to-fill position in the Federal service and establish pay rates for such positions at higher than the minimum rate for the grade.

The bill would further provide overtime pay at a time-and-one-half rate for employees up to $5,810 per annum as contrasted with the present limitation of $2,890 per annum. In addition, special premium pay has been provided for fire fighters and law-enforcement agents who are either required to be on duty on a standby basis or whose hours of duty cannot be controlled administratively.

The bill as approved by the committee will improve and simplify the administration of the Government's incentive awards program. Also, it provides for the establishment of 300 additional grades under the Classification Act whose rates of compensation are between $12,000 and $14,000 per annum.

The bill also authorizes the departments and agencies to provide a $100 uniform allowance for all employees in such departments or agencies who are required to wear uniforms provided the Congress by appropriation acts authorizes such expenditures.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

AMENDMENT OF HOME OWNERS' LOAN ACT OF 1933—REPORT OF A COMMITTEE

Mr. BUSH. Mr. President, from the Committee on Banking and Currency, I report favorably, with an amendment, the bill (S. 975) to amend the Home Owners' Loan Act of 1933, as amended, and I submit a report (No. 1186) thereon, together with my additional views. I ask unanimous consent that the report be printed, including the additional views.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Connecticut.

Digest of CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 9, 1954
For actions of April 8, 1954
83rd-2nd, No. 65

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HIGHLIGHTS: Senate completed congressional action on Mexican farm-labor appropriation measure. Senate debated buildings lease-purchase bill. House sent road authorizations bill to conference. Agricultural appropriation bill is to be reported today, and debate is to begin Mon. Senate debate on wool bill is to begin Mon. Rep. Stringfellow defended reorganization of PMA committees.

SENATE

1. FARM LABOR. Agreed to the conference report on H. J. Res. 461, providing an appropriation of $478,000 additional to the Labor Department for the Mexican farm labor program (pp. 4579-80). This measure will now be sent to the President.

2. BUILDINGS. Began debate on H. R. 6342, to authorize the General Services Administration to acquire land and to provide for construction of buildings thereon by executing lease-purchase contracts. Agreed to the committee amendments. Sen. Dirksen objected to one of these amendments, which would require approval of the Public Works Committees to the larger contracts. He inserted an opinion of the Justice Department that this provision was unconstitutional. He submitted an amendment that would provide for a waiting period, in order to give Congress an opportunity to consider the contracts, but would not authorize congressional committees to prevent the contracts from going into effect. (pp. 4586, 4591-610.)

3. WOOL PRICE SUPPORTS. Sen. Hendrickson announced that it is expected the wool bill, S. 2911, will be debated beginning Monday (p. 4611).

4. PRICE SUPPORTS. Sen. Langer inserted farm-groups' requests regarding price supports on dairy products, wool, beef, poultry, eggs, etc. (pp. 4576-7).
Sen. Aiken inserted a Vt. Poultry Assn. resolution saying price supports are "superficial" and that "fundamental faults" should be attacked (p. 4576).

5. INSPECTION FEES. Sen. Langer inserted a Potato Growers Assn. resolution opposing an increase in terminal-market inspection fees for USDA (p. 4576).

HOUSE

6. PERSONNEL. As reported (see Digest 63), S. 2665 provides as follows: Abolishes the crafts, protective, and custodial schedule of the Classification Act and transfers these positions to either the local prevailing-wage-rate system or the general schedule. Increases from 400 to 700 the number of authorized super-grades and removes the limitation on the number of positions in each grade. Provides for longevity salary step increases for employees at GS-11 through GS-15. Authorizes departments to request appropriations to pay not over $100 annually for employee-uniform allowances. Repeals the Whitten amendment.

Modernizes and simplifies the overtime and premium compensation laws relating to Federal employees. Raises the cut-off point on overtime pay to the maximum of GS-9, now $5,810. Increases the ceiling on base pay plus overtime or any other premium pay from $10,330 to $11,800. Guarantees a minimum of 2 hours' pay at the overtime rate for any Federal employee called back for overtime work on a non-work-day or during his off-duty hours. Assures employees that they will be assigned to normal work schedules except where irregular tours of duty are essential and permits agencies to continue to schedule unusual tours of duty for employees whenever operating requirements necessitate it. Permits a department to pay not in excess of 25% of an employee's basic pay if the employee occupies a position such as fire fighter which requires him to remain at his station longer than ordinary periods of duty, with a substantial part of the work consisting of remaining in a standby status (such premium pay to be in lieu of other premium pay provided for under the bill). Provides for similar benefits up to 15% additional to base pay, for irregular or unscheduled overtime, night, or holiday duty, to other employees (such as criminal investigators) whose hours of duty cannot be controlled administratively and which require substantial amounts of irregular unscheduled overtime duty or at night and on holidays.

Establishes a uniform Government employees' incentive awards program. Places authority for direction of the program with the Civil Service Commission. Authorizes Presidential honorary awards to civilian employees. Authorizes monetary awards based on Government-wide savings when appropriate. Makes employees under all pay laws eligible for all types of awards. Eliminates salary-increase awards and provides for cash awards in their stead. Eliminates the present $25,000 annual limit on total cash awards an agency can make for adopted employee suggestions. Eliminates the present $1,000 limit on individual cash awards for employee suggestions. Eliminates the present maximum (an amount equal to three within-grade salary steps) on certain cash awards. Extends the awards program to cover inventions by Government employees. Permits delegation, within departments, of the authority to make awards.

7. ROAD AUTHORIZATIONS. House conferees were appointed on H. R. 8127, to authorize road appropriations for 1956-7 (p. 4638). Senate conferees have been appointed.

8. FLOOD CONTROL. The Public Works Committee reported without amendment H. R. 8377, authorizing appropriations for Army flood-control projects in the Columbia Basin (H. Rept. 1509)(p. 4645).

9. AGRICULTURAL APPROPRIATION BILL, 1955. The Appropriations Committee was granted permission to report this bill today, Apr. 9, during House adjournment. Majority Leader Halleck stated that, if a rule is reported, this bill will be considered Mon. and, if not completed that day, will go over until Wed. because of the Ill. primary (p. 4637).

10. ADJOURNED until Mon., Apr. 12 (p. 4645).

Digest of CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 21, 1954
For actions of April 20, 1954
83rd-2nd, No. 72

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HIGHLIGHTS: Senate passed buildings lease-purchase bill. Senate debated Carlson personnel bill and wool bill. Senate committee reported third supplemental appropriation bill. Senate committee voted to report bills to distribute CCC seeds to land agencies and to increase tobacco-excess penalties. Sen. Young defended high price supports.

SENATE

1. BUILDINGS. Passed, 47-30, with amendments H. R. 6342, to authorize GSA to enter into lease-purchase agreements for construction of public buildings. Senate conferees were appointed. (pp. 5013-28.)

2. PERSONNEL. Began debate on S. 2665, the Government employees' fringe benefits bill. Agreed to all committee amendments except the one relating to the number of super-grade positions. Action on this amendment was postponed at the request of Sen. Byrd. (pp. 5028, 5032-3.)

3. WOOL PRICE SUPPORTS. Began debate on S. 2911, to provide additional authority for wool price supports, etc. (pp. 5029-34).

4. THIRD SUPPLEMENTAL APPROPRIATION BILL, 1954. The Appropriations Committee reported with amendments this bill, H. R. 8481 (S. Rept. 1216)(p. 5005). Sen. Bridges gave notice of an amendment to provide $15,000,000 additional under the Agricultural Conservation Program for emergency wind control measures (p.5006).

5. SEEDS; TOBACCO. The Agriculture and Forestry Committee ordered reported (but did not actually report) with amendment S. 2987, to provide for transfer of surplus CCC seeds to Forest Service and BLM, and without amendment S. 3050, to increase the penalty on excess marketing of tobacco (p. D429).

6. PRICE SUPPORTS. Sen. Young defended high price supports and the effectiveness of production controls and inserted a letter from the Under Secretary on this subject (pp. 5010-13).

7. SUGAR. Sen. Aiken said opposition to the International Sugar Agreement has been found to be applicable to the U. S. Sugar Act, not the Agreement (p. 5034).

8. PUBLIC LANDS. Sen. Butler, Nebr., reported additional amendments from the Interior and Insular Affairs Committee to H. R. 1815, to amend the Recreation Act of 1926 regarding use of public lands (p. 5005).

BILLS INTRODUCED

9. POULTRY; TAXATION. S. 3331, by Sen. Upton, to amend the Internal Revenue Code to include as property used in trade or business poultry held for breeding purposes; to Finance Committee (p. 5005).

10. TRADE AGREEMENTS. H. R. 8860 (see Digest 70) extends the President's authority to enter into reciprocal trade agreements from June 12, 1954, through June 30, 1957. It prohibits agreements (1) increasing the duty for any article to a rate more than 50% above the 1945 rate, (2) transferring any article between the dutiable and free lists, (3) decreasing the rate on any article more than 50% below the 1945 rate, or (4) decreasing the rate for any article more than certain alternative limits, in order to carry out an agreement entered into on or after June 12, 1954. It empowers the President to terminate a proclamation at any time in whole or in part.

ITEM IN APPENDIX

11. DAIRY INDUSTRY. Rep. Hagen, Calif., inserted a Calif. Legislature resolution favoring distribution of surplus dairy products to the armed forces, public institutions, the needy, and for school lunches (p. A2943).

COMMITTEE HEARINGS RELEASED BY GPO

12. AIR FORCE APPROPRIATIONS, 1955. H. Appropriations Committee.

COMMITTEE HEARING ANNOUNCEMENTS: Overall farm-program proposals, S. Agriculture (Secretary to testify), Apr. 21. Emergency farm loans, S. Agriculture (Scott, MacLeaish, and Smith to testify), Apr. 23. Surplus disposal bills, H. Agriculture (Davis to testify), Apr. 27. Overall farm-program proposals, H. Agriculture (Secretary to testify), May 5 and 6.

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that will commit the Government to untold millions of dollars' worth of construction, without appropriate check by the Congress. Is it not fitting and proper that a committee of the Congress should have the right to place a check upon an action of the administration? Under the Constitution the Congress of the United States has the responsibility of appropriating money; and the appropriation of the money involves also making a policy decision as to what the money shall be appropriated for.

This bill would permit the administration to make the policy decision, commit the Government of the United States to construction work, come to the Congress, figuratively place a gun at its forehead, and say, "We already have the community behind the bill. We have already aroused public opinion. Now pay."

If that is what is called sound fiscal policy, I must confess that I am in error.

The PRESIDING OFFICER. The Senator from California [Mr. KUCHEL] has 3 minutes remaining.

Mr. KUCHEL. Mr. President, I yield 2 minutes to the distinguished chairman of the committee [Mr. MARTIN].

Mr. MARTIN. Mr. President, I wish to comment briefly on the work of the committee.

The distinguished junior Senator from California [Mr. KUCHEL] was chairman of the subcommittee. I asked the distinguished senior Senator from Florida [Mr. HOLLAND] to assist him in that work. Along with the other members of the subcommittee they held long hearings, and considered the bill from every possible viewpoint, so as to make it safe so far as the Government is concerned.

Like other Senators, I have great admiration for the eminent and distinguished senior Senator from Virginia [Mr. BYRD]. Ordinarily we are on the same side of various questions which come before this body, but in this case I must be greatly in opposition to his views.

This plan of lease-purchase has been carried out successfully in business. Most of the chainstores of various kinds throughout the Nation have had this plan in effect for many years, and it has been most successful. It has been used in my own banking experience. The same questions have been before us, and we have made loans under this method. The program has been most successful. I sincerely hope that the Members of the Senate will approve the bill.

The PRESIDING OFFICER. The 2 minutes allowed the senior Senator from Pennsylvania have expired. The Senator from California [Mr. KUCHEL] has 1 minute remaining.

Mr. KNOWLAND. Mr. President, will the Senator yield 1 minute to me?

Mr. KUCHEL. I yield the remainder of my time to my colleague, the senior Senator from California.

Mr. KNOWLAND. Mr. President, I believe that the bill has been greatly improved by the amendments which have been adopted. I believe that adequate safeguards have now been placed around this proposed legislation. Frankly, the amendments go beyond what some of the administrative agencies of the Government desired. But, for the reasons which have been stated on the floor, had such safeguards not been placed in the bill, personally I would not have supported it. The safeguards are in the bill. I think it is a sound piece of legislation, and I hope the Senate will pass the bill, as amended.

The PRESIDING OFFICER. All time has expired.

The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY (when his name was called). On this vote I have a pair with the junior Senator from Louisiana [Mr. LONG]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. SALTONSTALL. I announce that the Senator from New York [Mr. IVES] is absent by leave of the Senate.

The Senator from New Jersey [Mr. HENDRICKSON] is absent on official business.

The Senator from Maryland [Mr. BUTLER], the Senator from Arizona [Mr. GOLDWATER], the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from New Jersey [Mr. SMITH] are necessarily absent.

If the Senator from New Jersey [Mr. SMITH] were present, he would vote "yea."

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ] is absent by leave of the Senate.

The Senator from Illinois [Mr. DOUGLAS], the Senators from North Carolina [Mr. HOEY and Mr. LENNON], the Senator from Massachusetts [Mr. KENNEDY], the Senators from Oklahoma [Mr. KERR and Mr. MONRONEY], the Senator from Louisiana [Mr. LONG], the Senator from Montana [Mr. MANSFIELD], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Georgia [Mr. GEORGE] is necessarily absent.

The Senator from Massachusetts [Mr. KENNEDY] is paired on this vote with the Senator from Oklahoma [Mr. KERR]. If present and voting the Senator from Massachusetts would vote "yea," and the Senator from Oklahoma would vote "nay."

The Senator from Oklahoma [Mr. MONRONEY] is paired on this vote with the Senator from Illinois [Mr. DOUGLAS]. If present and voting, the Senator from Oklahoma would vote "yea," and the Senator from Illinois would vote "nay."

I announce also that if present and voting, the Senator from New Mexico [Mr. CHAVEZ] would vote "yea."

The result was announced—yeas 47, nays 30, as follows:

YEAS—47

Anderson	Bush	Dirksen
Barrett	Butler, Nebr.	Duff
Beall	Capehart	Dworshak
Bennett	Carlson	Eastland
Bricker	Case	Ellender
Bridges	Cooper	Ferguson
Burke	Cordon	Flanders
Gore	Malone	Smathers
Hayden	Martin	Smith, Maine
Hickenlooper	Millikin	Stennis
Holland	Mundt	Thye
Hunt	Payne	Upton
Jenner	Potter	Watkins
Kilgore	Purtell	Wiley
Knowland	Saltonstall	Young
Kuchel	Schoeppel	

NAYS—30

Aiken	Jackson	McClellan
Byrd	Johnson, Colo.	Morse
Clements	Johnson, Tex.	Murray
Daniel	Johnston, S. C.	Neely
Frear	Kefauver	Pastore
Fulbright	Langer	Robertson
Gillette	Lehman	Russell
Green	Magnuson	Symington
Hennings	Maybank	Welker
Hill	McCarran	Williams

NOT VOTING—18

Butler, Md.	Hoey	Long
Chavez	Humphrey	Mansfield
Douglas	Ives	McCarthy
George	Kennedy	Monroney
Goldwater	Kerr	Smith, N. J.
Hendrickson	Lennon	Sparkman

So the bill (H. R. 6342) was passed.

Mr. MARTIN. Mr. President, I move that the Senate reconsider the vote by which House bill 6342 was passed.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. MARTIN. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MARTIN, Mr. CASE, Mr. KUCHEL, Mr. CHAVEZ, and Mr. HOLLAND conferees on the part of the Senate.

Mr. KUCHEL. Mr. President, I ask unanimous consent that the bill be printed with the amendments of the Senate numbered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. Mr. President, I realize that post mortems on votes are of little practical value. Nevertheless, I wish to say, although I voted against the bill which has just been approved by the Senate, H. R. 6342, that I believe the lease-purchase plan of constructing public buildings is a very meritorious plan.

On the other hand, I believe that we should not pass legislation which assumes to confer on the legislative branch of the Government, or to any of its committees, authority, and rights which properly belong to the executive branch of the Government. I would not vote for a bill which provides that a committee of Congress, or any two committees of Congress, shall assume the prerogatives of the executive branch of the Government.

I hope that the bill in conference will be straightened out by eliminating such provisions. If the provisions are not eliminated I believe the bill will merit a very well-deserved veto.

Mr. LANGER. Mr. President, I wish to associate myself with the remarks of the distinguished Senator from Vermont. I voted against the bill for the same reason which he has stated.

Mr. KUCHEL. Mr. President, with the very greatest of respect to my friend, the Senator from Vermont [Mr. AIKEN], I wish to say that the committee listened at great length to the arguments pro and con with reference to the amendment to which the Senator has just referred, and there are many of us who would look with disfavor on the bill if the amendment were eliminated. We refused to find merit in the argument of unconstitutionality.

Mr. CASE. Mr. President, with reference to the subject mentioned by the Senator from Vermont and the Senator from California, there has been some misunderstanding with respect to what part the committee would play if proposals were submitted to it. The committee, under the language of the bill, would not pass on individual contracts; it would pass on projects, not upon contracts as such. I think, if that were better understood, the executive branch would not fear that there would be any encroachment on its power.

TOLLS ON CERTAIN HIGHWAYS CONSTRUCTED WITH FEDERAL AID—BILL INDEFINITELY POSTPONED

Mr. KNOWLAND. Mr. President, I have discussed with the minority leader Calendar No. 703, Senate bill 796, which was introduced by the Senator from Connecticut [Mr. BUSH]. The bill would permit the charging of tolls on certain highways constructed with Federal aid. Senators will recall that the substance of the bill was added as an amendment to the Federal-aid highway bill, which has passed both Houses, and is awaiting the President's signature.

With the approval of the Senator from Connecticut, and after consultation with the minority leader, I move that Senate bill 796 be indefinitely postponed.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to.

GOVERNMENT EMPLOYEES' FRINGE BENEFITS

Mr. KNOWLAND. Mr. President, in conformity with prior notice given to the Senate, I now move that the Senate proceed to the consideration of calendar 1195, S. 2665.

The PRESIDING OFFICER. The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2665) to amend the Classification Act of 1919, as amended, the Federal Employees' Pay Act of 1945, as amended, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with amendments.

TWENTY-FOURTH ANNIVERSARY OF SERVICE BY THE COLONIAL AIRLINES

Mr. AIKEN. Mr. President, on April 18, 1930, the Colonial Airlines, the airlines serving my State of Vermont, began flight service between New York City and Montreal. After 24 years of service, this airline has the unequaled record of never having had a passenger or crew member killed or seriously injured.

I ask unanimous consent to have printed at this point in the RECORD a statement setting forth the record of the Colonial Airlines over their 24-year period of service.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Colonial Airlines was originally organized as Canadian-Colonial Airlines, a subsidiary of Colonial Air Transport. Gen. John F. O'Ryan was the original founder in March 1928. Until 1935 Canadian-Colonial was controlled by Aviation Corp. In May 1943 Canadian-Colonial became known as Colonial Airways, operating between New York and Montreal via Albany and Burlington, Vt.

Initially, Canadian-Colonial Airways was awarded certificate No. FAM-1; but in the subsequent reallocation of routes after all airmail contracts were terminated in the early 1930's Colonial was awarded certificate No. 72, under which it operates New York-Montreal airmail service today.

Twenty-four years ago yesterday, April 18, Colonial Airlines commenced operating Ford trimotor aircraft between New York and Montreal. In the intervening years, though its route structure has been extended and though many additions and changes have occurred in the original pattern, one factor has marked its operation since the beginning: Colonial Airlines has concluded 24 years of service without serious injury or fatality to passenger or crew member.

This record, as far as can be determined, cannot be duplicated by any domestic or international air carrier.

The record is all the more striking because the routes flown by Colonial cover some of the worst terrain, weatherwise, that can be encountered anywhere on the continent, whether it be winter, summer, spring, or fall.

During these 24 years Colonial has operated 724,591,004 passenger-miles. Translated into terms more easily understood, one pedestrian covering this distance at an average rate of 3 miles an hour would require 240,530,348 days, or one-half million years—give or take 5 minutes.

During the course of these operations Colonial's fleet of Douglas aircraft have made 758,030 landings and takeoffs.

At the present time Colonial operates daily flights from Washington to Lancaster, Reading, Allentown, Scranton, Binghamton, Syracuse, Ottawa, and Montreal; and from New York to Montreal via Poughkeepsie, Lake Placid, Albany, Glen Falls, and Burlington. Both routes join at Massena, N. Y. Additionally, Colonial's international operations include daily service to Bermuda.

THE CRISIS IN INDOCHINA

Mr. JENNER. Mr. President, I have a very brief statement on the crisis in Indochina.

There is nothing new in the crisis in Indochina.

The situation is exactly where it has been since 1948, when the Red Chinese reached the Indochina border.

Every competent person knew then that southeast Asia was on the timetable for destruction.

Every competent person knew the Acheson cease-fire in Korea would be followed by invasion of southeast Asia.

The Soviet leaders always use a time bomb.

They plan every step necessary for the next takeover on their timetable.

Then they set the mechanism so it will go off, months or years later, when people will no longer be on guard.

If Americans keep on refusing to believe these time bombs are real, until they have exploded, the Soviet Union will have no difficulty whatever in destroying its opponents, piece by piece.

We do not have to decide hastily about Indochina.

Soon the rains will come and then the talk will start again.

Indochina's problem is the same as that of China in 1946.

It is the same as that of Korea in 1950.

Shall we deal with symptoms, or the disease, with the cat's-paw or the monkey which eggs on the cat?

The Soviet Union needs a series of little wars at the periphery, where our men, our officers, our materials, and our money can be wasted, without hope of victory.

What do Americans want?

Obviously, we want a way to stop the little wars, which give the Soviet Union an open road to conquest.

There is a simple way to stop the war in Indochina.

The Viet Minh rebels cannot wage such a war, alone, without help from Red China.

The French Union forces could defeat them easily.

There is only one way to stop Red Chinese help to the rebels in Indochina.

That is to release the armed forces of the free nations of Asia.

They are kept out of action only by the Acheson legacy in American foreign policy.

The war in Indochina will not be won or lost at Dien Bien Phu. It will be won or lost in Washington.

The Republic of China has half a million armed men on Formosa.

Our defense officials make every effort to train and equip them, but the Acheson holdovers in the State Department are able, by some hidden route, to make our military officials equip them for the wrong ends.

We are giving free China everything it needs to defend itself against the wrong danger—attack from the mainland.

We are giving free China nothing—absolutely nothing—essential for their real need.

Free China needs ships, planes, submarines, supplies, to open a second front against the Reds on the China mainland. Then Red Chinese aid to Indochina will end in a hurry.

Once the free Chinese land on the mainland with sufficient equipment, millions of Chinese will rise up to join them.

We hear constantly from journalists, who think they are statesmen, that Red

also has increased the competition that the domestic producers must face from areas which produce wool at much lower costs than those prevailing in the United States.

Let me mention only one item in illustrating the difference in costs of production, namely, the shearing of sheep. In New Zealand and Australia that cost averages from 12 to 18 cents a head, whereas in the United States it averages 45 cents a head. In the case of other labor, which constitutes one of the major items in the cost of the production of wool, the relationship between costs in Australia and New Zealand and those in the United States is approximately the same.

So today, Mr. President, the tariff provides protection equivalent to only 21 percent of the price received by producers, as compared to the 77 percent provided by the Congress when last it acted upon tariff duties to protect the domestic wool grower.

With reference to the proposed amendment having to do with dairy products, I would remind Senators from the dairy producing States that many of us, including myself, supported them, last year, when they received protection, much greater than that provided by an adequate tariff, against imports from low-labor-cost producing foreign areas. Therefore the dairy industry of the Nation is protected by import quotas so strict that foreign competition on the American market is not a major problem at this time.

I would remind the Senators from the cotton-producing areas that they are protected against foreign competition by strict import quota controls, and that foreign cotton cannot displace American-produced cotton in the American market. In fact, the quotas established to prevent the importation of foreign cotton permit the importation of an amount equal to less than 1.7 percent of domestic production.

I would likewise remind the Senators from the wheat-producing States that wheat is protected by even stricter quota controls and international agreements. Quotas restrict the importation of wheat into the United States, except from Canada, to less than one one-hundredth of 1 percent of domestic production. Corn duties were not disturbed at all by trade agreements. Likewise other duties were not disturbed by trade agreements, and the industries and commodities affected still have the benefit of the 1930 Tariff Act.

Mr. President, why has similar protection from foreign imports been denied to wool; and within the past few weeks, as I have previously stated, why have we seen the President refuse to act upon the recommendations of the Tariff Commission which would raise the import fees on wool only enough to protect the present Government-support program?

Mr. President, the wool producers of Texas, Wyoming, Montana, Nevada, California, Colorado, and many other States have been denied the protection given to other agriculture commodities, and so we have been forced to seek this special legislation, so as to solve our problem by other means and methods.

Just why such tremendous interest is manifest in foreign producers of wool, while at the same time forcing Americans out of this industry, is difficult to understand. Congress should exercise its right and its duty to legislate for the good of the people. Congress should again assume its prerogatives, instead of allowing them to remain in the Department of State.

Mr. President, I am one of those who believe, as do so many others, that Congress should retrieve some of the powers it has allowed to be usurped by the Department of State.

From a practical standpoint, to be realistic, and realizing we have no other recourse, Senate bill 2911 leaves import duties at the present level, but would put to proper use the revenues derived therefrom, so as to compensate the wool growers for the loss in price they suffer in the market place because our Government does not afford them, as it does to others, adequate protection from cheap foreign markets.

So, Mr. President, you can understand why it seems unfair to me that while the wool producers are seeking to solve the problem incident to their inability to obtain by any means protection from foreign imports, Members of this body representing the various groups in agriculture which have ample protection from foreign competition should seek to use the wool bill as a vehicle by means of which to gain even more advantages for their commodity groups.

There is still another basic reason why wool needs to be treated in separate legislation if we are to preserve and build up the industry. I refer to the method of parity calculations. There are two divisions to the parity formula, as used by the Department of Agriculture under the laws enacted by Congress. In the case of wool, for instance, one of them has to do with the prices received over the past 10 years. Today parity is figured on the basis of the prices received during the period from 1944 to 1953, inclusive.

But let us remember that on December 8, 1941, the day after Pearl Harbor, the price of wool was frozen. Wool is such an essential material that it was the very first commodity on which prices were frozen after the Japanese sneak attack on the United States. From that day until the end of OPA wool prices were not allowed to rise, despite the fact that the general price level of other commodities in the United States went up and up, even under controls, and also despite the fact that the costs of producing wool continually increased.

Yet, Mr. President, those years of price control, with wool selling at 1941 levels, are used in calculating parity on wool. But, Mr. President, that is not all. During the war the United States Government and its allies stockpiled huge supplies of wool in the United States, and at the end of the war the tremendous stockpiles were sold into the civilian market and such sales of Government stockpiles held down the prices received by the American producer for several more years.

Mr. President, there is even more to this unhappy era in the wool industry as to the price used in calculating the parity for wool. In 1952 the Uruguayan Government subsidized exporters of wool to the United States in an effort to clean out a surplus of wool on their hands. This was primarily wool tops but to some extent wool in the grease. This action resulted in complete demoralization of the American market. Almost one-half the domestic wool was forced into the Government loan program, with the result that in 1952 and 1953 prices received by growers averaged out at the Government support figure.

In figuring parity on this agricultural commodity one part of the formula is the price received by the growers, which was abnormally low because of actions of this and foreign governments, over which the industry, of course, had no control.

The other basis or part of the formula used in figuring parity has to do with the prices or the costs of production paid by growers. In figuring this portion of the parity formula the Department of Agriculture considers the United States as one big farm. It does not consider the price paid in producing individual commodities. Let me cite an example. There has been considerable mechanization in the production of wheat and in the production of cotton. In the dairying industry electric milking machines have lowered labor costs. All in all, the amount of money spent for labor by overall agriculture in the United States is only 8 percent of total prices paid under the formula figure used by the Department of Agriculture.

This method is totally unrealistic with reference to wool, for in the wool-producing industry labor costs are not 8 percent of the cost of production, but 25 percent of the cost of production. Yet in establishing a parity, the Department of Agriculture established and still clings to a totally unfair method of giving credit for labor costs to the wool producer to the extent of 8 percent instead of the actual cost of 25 percent.

I do not wish to labor this point about how parity is figured. The Department of Agriculture, in making some long-range studies of the wool industry, has figured parity as it would apply to the wool industry if the wool industry's own costs were used in the calculation rather than the costs of all agriculture in the United States. This study disclosed that to arrive at a true and realistic parity for wool, such as is applied to other agriculture products, the present parity price for wool would have to be raised 18 percent.

However, it is of no avail to make studies and disclose these inequities if the inequities are not corrected. So the situation still stands that the support program now in effect for wool certainly cannot protect the income of the growers when support prices are based on 90 percent of a figure already 18 percent below a realistic parity.

Mr. President, the wool growers of the Nation have not sought to change, for their own advantage, the parity formula which has benefited the basic-commodity groups so greatly. The basic commodities have benefited from the same formula because the national average cost has been used, and in figuring these industries have by mechanization

lowered labor costs and actually arc covered by a parity which includes higher labor costs than actually exist.

Producers of the basic agricultural commodities have the additional benefit of being able to select either of two periods—the 1910 to 1914 base, or the modernized base, which wool producers must use. Producers of the basic commodities can utilize whichever period happens to be the most advantageous to their commodity.

So I repeat, Mr. President, that the present parity formula for agriculture as a whole is not fair and will not work in the case of wool until such time as we may find a machine which will permit us to raise a crop of wool and a crop of lambs in less than a year.

The wool bill proposes, through separate legislation, to utilize an incentive price level which will satisfy the wool industry without disturbing the parity formula used for other commodity groups who do benefit from that method of figuring the formula.

I regret to see Senators from States producing basic commodities which benefit from the parity formula seeking to tie the general agriculture program onto this needed separate wool legislation.

We of the wool-producing States are fully aware of the problems faced by our colleagues from the cotton-producing States, the tobacco-producing States, and the wheat-producing States. I am aware that certain Members on both sides of the aisle feel in complete disagreement with some of the policies enunciated by the administration. But as we all know, the Senate Committee on Agriculture and Forestry is now studying a proposed bill to handle the problem of commodities produced in surplus. It seems to me quite unfair that attempts should be made to burden the wool bill with extraneous matters affecting basic commodities. I feel that the proper place for pending amendments to this bill will be the general agriculture bill when it comes to the floor.

Mr. President, it is fair and just to ask those who are proposing amendments to S. 2911 which have nothing to do with wool to consider this bill on its own merits and not to use it as a vehicle to decide the issue of rigid or flexible price supports.

Is it too much to ask this body to consider a measure which can and will save a basic American industry and save the economic structure of numerous western communities without entangling it in other matters which may either prevent its passage or, in the event of its passage, in view of the administration's position, may pave the way for a Presidential veto.

I hope the Senate will act favorably upon this bill. We have seen at least three of the largest companies of the textile industry liquidated within the past several months. We see 10 percent of all the employees of the great railroads of America now idle. Steel mills are producing at only 63 percent of capacity. The coal mining industry is practically out of business. Let us not continue to force the liquidation of one of the great economic stabilizing industries of the western States.

This body has the opportunity in passing this bill without amendments to say to the American wool producers, "You are no longer the forgotten people of American agriculture. The sheep man is no longer the forgotten man."

GOVERNMENT EMPLOYEES FRINGE BENEFITS

The Senate resumed the consideration of the bill (S. 2665) to amend the Classification Act of 1919, as amended, the Federal Employees Pay Act of 1945, as amended, and for other purposes.

Mr. CARLSON. Mr. President, I ask that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will proceed to state the amendments of the Committee on Post Office and Civil Service.

The first amendment of the Committee on Post Office and Civil Service was, on page 2, line 16, after the word "that", strike out "in any area where in the opinion of the employing agency the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees may with the approval of the Civil Service Commission be paid administratively at rates payable under the Classification Act of 1949, as amended, for positions of equivalent difficulty or responsibility" and insert "whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees shall be subject to the provisions of the Classification Act of 1949, as amended, which are applicable to positions of equivalent difficulty or responsibility;".

The amendment was agreed to.

The next amendment was, on page 3, line 15, after the word "time", insert a colon and "*Provided*, That positions that may be established under the proviso of section 203 (b) (1) of the act of August 2, 1946 (60 Stat. 836), may be in addition to these seven hundred."

The amendment was agreed to.

Mr. BYRD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BYRD. Which amendment is the Senate considering at this point?

The PRESIDING OFFICER. The Senate is about to consider the amendment on page 5, line 6.

Mr. BYRD. Has any action been taken with reference to the amendment on page 3, line 15?

The PRESIDING OFFICER. That amendment was agreed to.

Mr. BYRD. It has been agreed to?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. I did not know that the Senate had agreed to the amendment. I ask unanimous consent that the Senate reconsider the vote whereby the amendment was agreed to.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BYRD. Mr. President, this is a very far-reaching bill. I wonder whether we could have an opportunity to study it very carefully, and to have it taken up on another day. I am interested in the bill, and some amendments which I have submitted are now being canceled by the adoption of the committee amendments. I should like to have an opportunity to study the bill very carefully. I realize that it has been on the calendar for some time. But I wonder whether the Senator from Kansas would be willing to postpone its consideration. It would probably save time in the long run to do so.

Mr. CARLSON. I wish to state to the distinguished senior Senator from Virginia that of course I should like very much to secure action on the bill today, if it is at all possible. However, if the Senator is asking for more time in order to consider the proposed committee amendments I would be in a poor position to say that I would not be in favor of granting him that opportunity.

As the Senator from Virginia has stated, the bill has been on the calendar for some time. It was reported unanimously by our committee.

Mr. BYRD. I am making my request only because of the fact that I happen to be the sponsor of the part of the bill which establishes limitations on positions within the various classifications. The amendment on which the vote has been reconsidered would practically have nullified by proposal. I do not believe very much can be accomplished if we try to go ahead with the bill this evening. As I have said, it is a very far-reaching bill.

Mr. KNOWLAND. Mr. President, I should like to say to the Senator from Virginia that I would not be prepared to lay the bill aside until tomorrow. However, I am prepared to move to displace it and to take up the so-called wool bill, with respect to which I had given prior notice.

If the Senator from Virginia feels that he desires additional time on the pending bill, although it has been on the calendar for some time, and I made two or three announcements with respect to it——

Mr. BYRD. I shall not object to it at any other time, but I would appreciate it if the Senate could lay it aside at this time.

Mr. RUSSELL. Mr. President, before the Senator from California makes a motion to lay the bill aside, I should like to send an amendment to the desk and ask that it printed and lie on the table. It is an amendment I intend to propose to the bill.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. KNOWLAND. Mr. President, would the Senator from Virginia object to the consideration of the remaining committee amendments, so that the bill could be perfected to that extent?

Mr. BYRD. I would have to object to the amendment on page 3, line 15. That is in line with the subject in which I am interested. The amendment was adopt-

ed and the vote on it has now been reconsidered.

Mr. CARLSON. That amendment was objected to by the Senator from Virginia, and action on it has now been reconsidered by the Senate. I hope that we may be able to proceed with the remaining amendments proposed by the committee and agree to them, unless there is objection to any of them.

Mr. BYRD. There is a provision which would add 300 additional positions. Is that in the same amendment?

Mr. CARLSON. That is in the same amendment.

The PRESIDING OFFICER. That amendment goes over. The clerk will state the remaining amendments of the Committee on Post Office and Civil Service.

The next amendment of the Committee on Post Office and Civil Service was, on page 5, after line 5, to insert:

(1) Subsection (a) is amended by striking out the words "change of grade or rate of basic compensation except such change as may be prescribed by any provision of law of general application" and inserting in lieu thereof the words "increase in grade or rate of basic compensation except such increase as may be prescribed by any provision of law of general application."

The amendment was agreed to.

The next amendment was, in line 13, to change the subsection number from "(1)" to "(2)."

The amendment was agreed to.

The next amendment was, in line 18, to change the subsection number from "(2)" to "(3)."

The amendment was agreed to.

The next amendment was, on page 8, line 1, after the word "salary", to insert "including longevity rates."

The amendment was agreed to.

The next amendment was, in line 11, after the word "maximum", to strike out "scheduled."

The amendment was agreed to.

The next amendment was, in the same line, after the word "rate", to insert "including longevity rates."

The amendment was agreed to.

The next amendment was, on page 9, after line 10, to strike out:

(b) Employees to whom sections 102 (a) and 103 of this title apply shall continue to receive compensation at rates prescribed for the grades of their respective positions by the Classification Act of 1949, as amended, in effect on the date of enactment of this act, until their compensation shall have been fixed in accordance with the provisions of this title.

And insert:

(b) With respect to employees and positions to which sections 102 (a) and 103 of this title apply, the provisions of the Classification Act of 1949, as amended, and any provisions of law and regulations controlling pay adjustments which were in effect on the date of enactment of this act, shall continue in effect for any such employee or position until compensation shall have been fixed in accordance with the provisions of this title.

The amendment was agreed to.

The next amendment was, on page 14, line 21, after the word "compensation", to strike out "amounting to one and one-half times such part of such officer's or employee's basic compensation as does not exceed the maximum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, unless otherwise provided in this act" and insert "at a rate equal to such officer's or employee's rate of basic compensation."

The next amendment was, on page 16, line 25, after the word "such", to strike out "day" and insert "duty."

The amendment was agreed to.

The next amendment was, on page 20, line 23, after the word "concerned", to insert a colon and the following proviso:

Provided, That the suggestions, inventions, superior accomplishments, other personal efforts, or special acts or services in the public interest forming the basis for the awards are made or rendered while the officer or employee is in the employ of the Government.

The amendment was agreed to.

The next amendment was, on page 21, line 16, after the words "by the", to strike out "heads" and insert "head."

The amendment was agreed to.

The next amendment was, on page 22, after line 23, to insert:

(h) The second proviso in section 5 (i) of the act of May 18, 1933 (16 U. S. C. 831).

The amendment was agreed to.

The next amendment was, on page 23, beginning with line 1, to insert:

(i) All other laws or parts of laws inconsistent with this act are hereby repealed to the extent of such inconsistency.

The amendment was agreed to.

The next amendment was on page 23, after line 7, to strike out:

SEC. 402. Any civilian officer or employee of the United States who is required by regulation now existing or by law to wear a prescribed uniform in the performance of his or her official duties, and who is not being furnished with such uniform, shall be paid an allowance for defraying the expenses of acquisition and upkeep of such uniform at such times and in such amounts, not to exceed $100 per annum, as may be prescribed by the head of the employing agency in accordance with rules and regulations promulgated pursuant to section 404. Any amounts allowed for such purposes to any officer or employee under the provisions of any other law or regulation shall be deducted from any allowance paid such officer or employee under the provisions of this title.

And insert:

SEC. 402. There is hereby authorized to be appropriated annually to each agency of the Government of the United States or of the District of Columbia (including Government-owned corporations), upon a showing of the necessity or desirability thereof, an amount not to exceed $100 multiplied by the number of the employees of such agency who are required by regulation now existing or by law to wear a prescribed uniform in the performance of his or her official duties and who are not being furnished with such uniform. The head of any agency to which any such appropriation is made shall pay, out of such appropriation, to each such employee an allowance for defraying the expenses of acquisition and upkeep of such uniform at such times and in such amounts, not to exceed $100 per annum, as may be prescribed by the head of such agency in accordance with rules and regulations promulgated pursuant to section 404. Where the payment of a uniform allowance is authorized under any other provision of law or regulation existing on the date of enactment of this act, the head of the agency may in his discretion continue the payment of such allowance under such provision of law or regulation, but where a uniform allowance is paid under any such law or regulation no allowance shall be paid under this section.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the consideration of the committee amendments, with the exception of the amendment on page 3, line 15, which has been passed over at the request of the Senator from Virginia [Mr. BYRD].

Mr. CARLSON. Mr. President, it is my hope that the consideration of the bill may be resumed at the earliest possible time. It is of vital importance to more than 2 million classified workers of the Federal Government. It has had the thorough study of our committee, and it contains many desirable features. I urge the majority leader to bring it up for consideration at the earliest possible moment.

Mr. KNOWLAND. I will say to the Senator from Kansas, the chairman of the Committee on Post Office and Civil Service, who has spoken to me on several occasions relative to the importance of this bill, which has been reported by his committee by unanimous vote, that I shall be prepared to find a place for the bill in the legislative program. The Senator from Kansas has my assurance with respect to that. I would not want to be held to the precise order in which it will be considered, because the precise order will depend on the progress we make on some measures which are immediately ahead of it on the calendar. However, I believe that within the next 2 or 3 weeks I shall be able to find a place for it.

Mr. CARLSON. Mr. President, I ask unanimous consent that when the Senate again considers the bill a member of the Civil Service Commission, perhaps Dr. Baruch, who is thoroughly familiar with the technical phases of the bill, such as the subject of longevity, be permitted the privileges of the floor of the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas? The chair hears none, and it is so ordered.

Mr. JOHNSTON of South Carolina. Mr. President, I submit an amendment to the pending bill, and I ask that it be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. JOHNSTON of South Carolina. I believe the chairman of the committee and the other members of the committee are in favor of the amendment.

Mr. KNOWLAND. I understand that the Senator from South Carolina has submitted his amendment, to be printed and to lie on the table, but not to be considered at this time.

Mr. JOHNSTON of South Carolina. That is correct.

DEVELOPMENT OF THE DOMESTIC WOOL INDUSTRY

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1047, Senate bill 2911, otherwise known as the wool bill.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2911) to provide for the development of a sound and profitable domestic wool industry under our national policy of expanding world trade, to encourage increased domestic production of wool for our national security, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California [Mr. KNOWLAND].

Mr. RUSSELL. Mr. President, I should like very much to have the distinguished majority leader make a statement as to whether he intends to proceed with the consideration of the wool bill at this time.

Mr. KNOWLAND. I had intended to make such an announcement.

As I stated to the minority leader earlier today, it is not my intention to have the Senate proceed with the debate on the wool bill. As soon as it is made the unfinished business it will be my intention to yield for routine matters and then to move that the Senate recess until 12 o'clock noon tomorrow.

Mr. RUSSELL. I thank the Senator from California.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California [Mr. KNOWLAND].

The motion was agreed to; and the Senate proceeded to consider the bill (S. 2911), which had been reported from the Committee on Agriculture and Forestry with amendments.

INTERNATIONAL SUGAR AGREEMENT

Mr. AIKEN. Mr. President, I should like to invite attention to the fact that the International Sugar Agreement, as recommended by the Foreign Relations Committee, is now on the Executive Calendar. I especially call attention to the fact that it is the International Sugar Agreement, not the United States Sugar Act, which is on the calendar for early consideration. There has been a good deal of opposition expressed to the International Sugar Agreement, but when we followed it up we found it was opposition to the Sugar Act and not to the International Sugar Agreement. That is why I should like particularly to point out that the International Sugar Agreement has nothing at all to do with the United States Sugar Act.

Mr. KNOWLAND. Mr. President, I wish to thank the Senator from Vermont for his statement. It will tend to clarify some of the misunderstanding which has existed.

Since the Senator has raised that point, permit me to say that I did not intend to move to take up consideration of the International Sugar Agreement which is on the Executive Calendar until we have disposed of the wool bill, but thereafter, following proper notice to the Senate, we shall set a time for its consideration.

Mr. AIKEN. The Senate should not have to spend much time on the International Sugar Agreement, although there was a day's hearing given to it and certain opposition appeared. But the opposition seemed to be directed to the United States Sugar Act.

Mr. KNOWLAND. For the information of the Members of the Senate, I may say that for more than a week the hearings on the International Sugar Agreement before the Foreign Relations Committee have been on the desks of Senators or available to any Senator who might desire to have them. So I invite attention to that available information.

Mr. President, I now yield to the Senator from Idaho.

VISIT TO GEORGIA AND SOUTH CAROLINA

Mr. WELKER. Mr. President, last week it was my good and unique fortune to visit two great States, the great State of Georgia and the great State of South Carolina. My people came from North Carolina, and I am rather addicted to the thinking of the fine people who live in that State.

I should like to say to my distinguished friend, the Senator from Georgia [Mr. RUSSELL], that he made our trip indeed a happy one. We shall never forget the experience. We shall never forget the kindness which prompted the Senator to arrange for us a meeting with fine and congenial friends. It was a trip which was indeed memorable.

Mr. RUSSELL. Mr. President, will the Senator from Idaho yield?

Mr. WELKER. I yield.

Mr. RUSSELL. I should like to assure the distinguished Senator from Idaho that it is always a distinct honor to have him visit my State. I know my people will always be happy to receive him as hospitably as is within their power on any occasion he can find the time to go there. We were delighted to have him. We are honored to have the President of the United States visit us, and we shall be just as happy to have the Senator from Idaho visit us on any occasion.

Mr. WELKER. I thank the Senator from Georgia.

After visiting the great and beautiful State of Georgia, we then went to the great State of South Carolina, and enjoyed its beauty and splendor as we did in the case of Georgia.

I wish to say to the Senate that something unique transpired while I was in South Carolina. Perhaps it is rare for one of opposite political faith to say anything good about a Member on the other side of the aisle, but while I was in South Carolina I learned that the people of the State of South Carolina had unanimously given our dear friend and great statesman, the senior Senator from South Carolina [Mr. MAYBANK], a renomination for the United States Senate, which is tantamount to his election and the assurance of his serving the Nation well and ably for an additional 6 years. That, I think, is a deserved tribute to the Senator from South Carolina, because usually someone will file against a candidate in a political campaign.

I certainly wish to congratulate the people of South Carolina, and I wish to congratulate the United States Senate, but, above all, I desire to congratulate the Nation on the assurance we have that we shall have that splendid statesman back with us for another 6 years.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Idaho yield?

Mr. WELKER. I yield.

Mr. JOHNSTON of South Carolina. I wish to thank the Senator from Idaho for his remarks concerning South Carolina and also his remarks concerning my colleague, Senator MAYBANK. If he had gone to the State of South Carolina prior to the expiration of the time for filing in the Democratic primary, I think he would have found that the people there were satisfied with the work of the distinguished senior Senator from South Carolina. For that reason, I believe, anyone who might have some idea of campaigning against him felt it would be useless to do so.

Mr. WELKER. I had no illusions about the esteem in which the senior Senator from South Carolina is held by his people. I heard his name mentioned prominently, along with that of my friend the junior Senator from South Carolina [Mr. JOHNSTON] who has just spoken. I am proud of both Senators from South Carolina.

Mr. JOHNSTON of South Carolina. I do not think it is possible to add very much to the remarks which the Senator from Idaho has already made regarding the senior Senator from South Carolina. But I may say that since the Senator from Idaho has been a Member of the Senate he and I have served on committees together, and I have found the association most pleasant. I appreciate working with him in the Senate, both on the Committee on Post Office and Civil Service and on the Committee on the Judiciary. The Senator's work has been excellent.

Mr. WELKER. I thank the Senator from South Carolina with all my heart.

RECESS

Mr. KNOWLAND. Mr. President, I move that the Senate now stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 49 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, April 21, 1954, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 20 (legislative day of April 14), 1954:

IN THE NAVY

Rear Adm. Austin K. Doyle, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as chief, naval air training.

Rear Adm. Frederick W. McMahon, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as commander, Air Force, Atlantic Fleet.

surance that there will be no voting on the amendments to the Taft-Hartley law this week.

GOVERNMENT EMPLOYEES' FRINGE BENEFITS

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1195, Senate bill 2665, a bill to amend the Classification Act of 1949, as amended, the Federal Employees' Pay Act of 1945, as amended, and for other purposes. When the motion to consider the bill is agreed to, I intend to suggest the absence of a quorum.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 2665) to amend the Classification Act of 1949, as amended, the Federal Employees' Pay Act of 1945, as amended, and for other purposes.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARLSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARLSON. Mr. President, I appreciate this opportunity to discuss with the Members of the Senate the bill (S. 2665) which I introduced and which recently was approved unanimously by the Committee on Post Office and Civil Service. I sincerely hope we can give prompt and favorable consideration to this highly significant measure.

President Eisenhower has recommended a number of proposals which he feels should be considered by the Congress as essential to improved personnel management in the Federal service. This bill would carry out many of the changes proposed by the President, and will be of great benefit to both the Government and its employees. Federal employees will be provided with many of the employment benefits and privileges now given to employees in private industry throughout our country, and many present inequities among groups of employees will be eliminated. The Government itself should achieve more efficient and economical operation by attracting and keeping well-qualified personnel, through providing improved conditions of employment.

This bill is the product of extensive consultation and careful research on the personnel management needs of the Federal civil service. Over the past several months, the Post Office and Civil Service Committee has analyzed staff studies and Government agency reports, conducted public hearings, and consulted with Federal employee organizations on personnel practices and problems.

In the hearings, the Civil Service Commission and many other Government agencies strongly supported the proposed legislation. Federal employee organizations likewise endorsed the bill. All amendments suggested by these interested agencies and groups were thoroughly studied by the committee, and a number of their recommendations have been incorporated in the proposed legislation. In its present form, I believe the bill provides a comprehensive and forward-looking program for improvement of Government personnel practices.

At this time I should like to discuss briefly, the various proposals contained in the bill as approved by the committee.

First, the present Crafts, Protective and Custodial pay schedule of the Classification Act would be abolished; and crafts, trades, and manual labor jobs now in that schedule would be paid on the basis of prevailing wage rates. About 69,000 crafts, trades, and labor employees engaged in maintenance work are now paid under the CPC schedule of the Classification Act. More than 700,000 other employees performing similar work, having similar qualifications, and who are taken from the same civil-service lists, but are engaged in production and construction work, are now paid on the basis of local prevailing wage rates. For example, a carpenter who is hired to do maintenance work on a Government building is paid at a fixed rate established by the CPC schedule, but a carpenter who is employed on production work is paid on a prevailing-wage basis.

The proposal to pay these maintenance workers on a prevailing wage basis would result in eliminating pay inequities between two large groups of employees. It would also place the Government in a better competitive position with private industry in hiring these skilled workers. More than 5 years ago, the Hoover Commission, in reporting to the Congress on its study of Federal personnel management, recommended that the rates of pay for all blue-collar workers should be fixed and adjusted in relation to prevailing local wage rates.

The remaining 47,000 jobs in the CPC schedule, largely guards, messengers, and fire fighters, would be transferred to the general schedule of the Classification Act. This would simplify the pay structure of the Classification Act by eliminating the entire CPC schedule.

In most cases, the employees involved will receive some increase in pay. No employee will have his present pay reduced as a result of this change.

Second, the bill would authorize longevity pay increases for all employees under the Classification Act up to and including grade GS–15. The Classification Act of 1949 established pay step increases above the regular top rate of an employee's grade as a reward for long and satisfactory service. An employee must have been in the same, equivalent, or higher grade for 10 years, and at the top pay for that grade for 3 years to be eligible for his first longevity increase. After the first, he can get 2 more such increases, each additional 1 requiring another 3 years of service. Under the present law these increases are limited to employees in grades GS–10 and CPC–10 and below.

Opportunities for advancement generally are more limited in the higher grades and the incentive value of longevity pay is important to encourage continuous and satisfactory service at these levels.

The bill proposes another change in longevity pay practice. At present if an employee is at the top rate of his grade, earning service toward the 3-year requirement for a longevity increase, and is reduced to the top rate of a lower grade, he must begin his period of longevity service over again in the lower grade. The bill will eliminate this inequity by allowing an employee to retain his service credit under these circumstances.

The Classification Act would also be amended to allow the Civil Service Commission to recruit people for hard-to-fill jobs at a rate higher than the minimum rate of the grade. The Commission's recruiting experience has shown that for certain types of jobs in specific localities, it is extremely difficult to secure qualified persons who will accept Federal employment at the minimum salary rate of the appropriate Classification Act grade. This authority is needed to help the Government compete with private industry for scarce occupational skills. It would be used only when the Civil Service Commission determines that offering a rate of pay higher than the minimum rate would result in filling positions which could not otherwise be filled.

Another important proposal concerns job classifications and pay in the top levels of the Federal civil service. The Classification Act now provides for 400 jobs in the top 3 grade levels, that is, grades GS–16, 17, and 18, with pay ranging from $12,000 to $14,800 a year. The act allows 25 positions in grade 18, 75 in grade 17, and 300 in grade 16. The bill would increase the total Classification Act authorization limit from 400 to 700 and would remove the limit on the number of positions in each grade, but would not affect such positions established under other authorities. The bill also provides that the positions of senior specialists in the Legislative Reference Service of the Library of Congress, in addition to the other 700 authorized, may be placed in grades 16, 17, and 18.

Additional positions at grades 16, 17, and 18 are needed to meet Government program requirements, to maintain sound and fair pay practices, and to permit accurate job classifications. A recent survey shows that at least 300 additional positions spread among more than 25 agencies warrant classification above grade GS–15 at this time. Almost half of these jobs are in the fields of engineering and scientific research for which there is a critical shortage of qualified personnel. Many others include the heads of important administrative organizations or are key Government positions in such fields as law and accounting. Providing appropriate pay for these jobs will place the Government in a better competitive position with private employers.

None of these 300 positions which require classification above grade 15 can be placed in the correct grade because of the present Classification Act ceiling. The limitation on numbers of positions at each grade over GS–15 also hampers effective administration and correct job classification. For example, although a position warrants classification at grade 17, it may be impossible to place it in that grade because the quota for grade 17 positions is filled. As a result, the position must be placed in grade 16, depending on the availability of "spaces" in that grade, or even in grade 15.

Increasing the ceiling and removing the limits on numbers of jobs in each grade over GS–15 as proposed by this bill should meet present operating needs, and eliminate the inequities and necessarily poor practices I have described.

Other than temporary wartime legislation, the Federal Employees Pay Act of 1945 was the first general law providing overtime, night, and holiday pay for salaried employees of the Federal Government outside the postal service. With minor changes, the 1945 statute has remained the basic authority for these premium pay provisions.

The bill would make a number of needed changes in premium pay practices affecting Government workers. These changes are designed (a) to adjust the overtime pay rates of the Federal Employees Pay Act, primarily to take account of changes in basic salary schedules since 1945, and (b) to revise the other premium pay provisions of the act in the light of administrative problems which have arisen during the nearly 9 years of the act's operation.

First. The bill provides time and one-half overtime on salaries up to the top of grade GS–9, now $5,810 a year, and provides the same dollars and cents rate at all higher salaries as it provides for the top GS–9 salary.

The Federal Employees Pay Act now provides a time-and-one-half overtime rate for employees whose salaries do not exceed $2,980 a year. Above this salary level, overtime pay is on a diminishing scale. The bill would increase the limit to $5,810. This scale decreases from the full time-and-one-half rate at $2,980 to less than half the employee's straight-time rates. The time-and-one-half overtime rate should be extended to salaries above the present $2,980 maximum. This is necessary to maintain a reasonable degree of consistency with the original intent of the act, standards set for industry by Federal statutes and regulations, and existing practices of American industry.

The proposed time and one-half up to the top rate of grade GS–9 excludes from the full overtime rate employees in the executive group and the higher professional levels. At the same time, it would extend the time-and-one-half rate to certain groups with special overtime problems, such as quarantine inspectors of the Public Health Service, and to the lower levels of engineering and scientific positions, where the existing rates of the Federal Employees Pay Act have proved disadvantageous to the Government and discouraging to the employees.

The bill changes the present ceiling of $10,330 on base pay plus premium pay to the top rate of grade GS–15, now $11,800. This takes account of changes in salary schedules since 1945, and restores the ceiling to a level reasonably consistent with the level set at that time.

Second. Another basic proposal concerns certain types of Federal work, such as that performed by fire fighters and FBI and Treasury agents, which are not well suited to ordinary premium pay provisions. The bill would permit agencies, with the approval of the Civil Service Commission, to pay employees, such as fire fighters, who have long tours of duty including substantial amounts of standby duty, on an annual basis for such duty. This additional annual pay could not exceed 25 percent of the employees base pay, and would take the place of all other premium pay.

Agencies would also be permitted, with the approval of the Civil Service Commission, to pay additional annual pay in lieu of hourly compensation to employees such as FBI and Treasury agents whose hours of duty cannot be controlled administratively and whose jobs require substantial amounts of irregular and unscheduled overtime. Special emergency duty is frequently required in this type of work. This additional annual pay could not exceed 15 percent of the employee's base pay, and would take the place of hourly pay for all unscheduled overtime, night, and holiday work. The maximum rate for this group is limited to 15 percent of base pay since they would continue to receive standard overtime pay for overtime duty regularly set by the head of the agency, such as extending the workweek to 48 hours.

These annual pay differentials will greatly simplify premium pay administration and will give fair pay to employees whose peculiar working conditions now result in overtime work without overtime pay.

Third. Agency heads now must pay employees at all levels in money for irregular or occasional overtime duty, unless the employee requests time off instead of pay. The agency has no right of election in this matter. The bill gives agencies the option to require employees paid above the top of grade GS–9 to take time off instead of overtime pay for such duty. It would continue to require agencies to pay employees up to the top of grade GS–9 in money unless the employee requests time off for such irregular or occasional overtime work. This would bring the law into closer conformance with actual practice at the higher grade levels.

Fourth. In keeping with general practice in American industry the bill would authorize a minimum of 2 hours pay at the overtime rate for employees called back for overtime work on their days off or after they have finished the regular day's work. This will compensate employees for being called back on assignments of such short length that pay for only time on duty would be inadequate as compared with the inconvenience involved.

Fifth. Other proposals would make very minor changes in night differential pay provisions to meet specific administrative problems that have arisen, and would enact into law the principles currently expressed in rulings of the Comptroller General on overtime of employees in a travel status.

The proposed legislation also would express as congressional policy certain principles concerning tours of duty. The policies expressed would be followed except where an agency would be seriously handicapped in carrying out its functions or where costs would be substantially increased. This will provide a clear-cut statement of policy, assuring employees that they will not be unnecessarily assigned to undesirable tours of duty. At the same time it will permit agencies to schedule unusual tours of duty where absolutely necessary to Government functions.

Another major feature of the proposed legislation is the establishment of a uniform and progressive Government-wide employees-incentive awards program.

At present, monetary and honorary awards for Federal civilian employees are authorized under a number of different laws, and are administered by a number of different agencies. For example, the Civil Service Commission is responsible for superior accomplishment pay increase awards under title VII of the Classification Act of 1949, as amended, while the Bureau of the Budget is responsible for cash awards for efficiency under title X of the Classification Act. The bill consolidates legislative authority for all monetary awards and honorary recognition for employee suggestions, inventions, superior accomplishments, personal efforts contributing to the efficiency, economy, or other improvement of Government operations, and special acts or services in the public interest. In addition, it places authority for program direction in the Civil Service Commission, thus eliminating the present split responsibility. This will greatly improve and simplify administration of a coordinated Government-wide program.

The bill authorizes Presidential honorary awards for exceptionally meritorious civilian service. This type of award would recognize high achievement and should provide a valuable incentive to improved employee performance.

The bill will make important changes in the coverage of the awards program. At present, many employees cannot receive recognition for accomplishment simply because they are paid under one pay authority rather than another. For example, cash awards for efficiency under title X of the Classification Act, and pay increase awards for superior accomplishment under title VII, are available only to employees paid under the Classification Act. Employees paid under wage-board authority and under the Postal Pay Act are not eligible for either of these types of awards. The proposed legislation would make all Federal employees eligible for all types of awards. In this way, all employees can receive deserved recognition, and the Government can realize the value of work incentives to the greatest possible extent.

In order to give the Federal Government the fullest benefit of potential employee suggestions, the bill removes the present statutory limit of $25,000 on the total cash awards an agency can make in any 1 year for adopted employee suggestions. The military departments are already exempted from this restriction. At least one large agency, because of this restriction, has been forced to curtail its employee-suggestion program.

Also, the bill removes the present statutory limit of $1,000 on any one cash award for an employee suggestion, and the requirement that monetary awards for employee suggestions be based only on the amount of savings to be achieved in the employee's own agency. Monetary awards for suggestions or accomplishments should be based on the full amount of savings throughout the Government, and should be directly related to resulting savings without an arbitrary limit. The Civil Service Commission would establish controls to insure uniform administration and would set standards governing amount of cash awards.

Under this bill, awards for employee inventions would be brought into the governmentwide incentive awards program. At present there are statutory authorities for awards for employee inventions in some circumstances. These authorities differ in that they apply to different employee groups and do not afford uniform treatment. The proposed bill will establish a consistent and equitable program for employee invention awards.

Salary step increase awards for superior accomplishment would be abolished and cash awards provided in their stead. At present, superior accomplishment awards under title VII of the Classification Act are pay increases of salary steps in the employee's grade. Since the amount of such salary steps is greater in the higher grades, this results in the amount of these awards being based on the pay rate of the employee rather than on actual value of achievement. Also, it means that employees already at the top of their grade cannot receive such awards. Substituting cash awards for salary-increase awards will eliminate these inequities.

As approved by the committee, another major provision of the bill gives agency heads the authority to request appropriations for the payment of allowances for uniforms to employees now required by law or regulation to wear them. Where such funds are appropriated under this authority, agencies would have to pay out of these funds up to $100 a year to employees for the purchase and upkeep of required uniforms which are not furnished to them. The legislation provides that any amounts allowed for the same purpose under other law or regulation could be continued instead of paying the proposed uniform allowance. The allowances for uniforms would be paid under rules and regulations issued by the Bureau of the Budget.

The bill would repeal section 1310 of the Supplemental Appropriation Act, 1952, as amended—commonly known as the Whitten amendment—which places certain restrictions on Government personnel operations. The Whitten amendment served a useful purpose when Federal employment was being rapidly expanded during the Korean emergency. The emergency period has passed, and the committee believes that this amendment has now outlived its usefulness. Continuation of emergency personnel restrictions in legislation is producing serious administrative problems and inequities to employees.

The ceiling on permanent employment imposed by the amendment is based on personnel needs and operating conditions in September 1950. This limitation is unrealistic, since it bears no necessary relationship to the size of the work force needed at any later time or in any agency. By restricting permanent appointments, it limits the Government in offering the incentive of career status in recruiting, and results in a less stabilized work force. It is important to note that total employment levels are not reduced or controlled by the ceiling.

The limitations on permanent promotions continue to bring about serious inequities to employees throughout the Government. These limitations also complicate reduction-in-force operations by requiring a special retention grouping for permanent workers promoted on an indefinite basis. Other restrictions and requirements affecting such actions as reinstatement also handicap effective personnel management.

Although this legislation has already been amended twice, old problems have not been taken care of, and new difficulties continue to appear. The Post Office and Civil Service Committee, which has primary responsibility for the subject matter involved, is convinced that the amendment should be repealed.

I firmly believe that the enactment of this bill will greatly improve Government operations by providing sound and modernized conditions of employment, and by strengthening employee work incentives and morale. I earnestly urge that the Members of the Senate give this measure immediate and favorable consideration.

The PRESIDING OFFICER (Mr. BARRETT in the chair). The Chair announces that all committee amendments were previously agreed to, with the exception of the one on page 3, line 15. The Secretary will state that committee amendment.

The LEGISLATIVE CLERK. On page 3, line 15, after the word "time", it is proposed to insert the following proviso:

Provided, That positions that) may be established under the proviso of section 203 (b) (1) of the act of August 2, 1946 (60 Stat. 836), may be in addition to these 700.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 3, line 15.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSTON of South Carolina. Mr. President, I call up my amendment 4-20-54-A.

The PRESIDING OFFICER. Does the Senator desire to have his amendment read at this time? It is a lengthy amendment.

Mr. JOHNSTON of South Carolina. I do not believe it is necessary to do so. I am proposing to amend merely a part of the bill, and I can explain the amendment.

The PRESIDING OFFICER. Without objection, the amendment will not be stated, but it will be printed in the RECORD at this point.

The amendment of Mr. JOHNSTON of South Carolina is as follows:

Beginning with line 17 on page 15, strike out through line 11 on page 17, and insert in lieu thereof the following:

"SEC. 401. (a) Any officer or employee of any department, independent establishment, or agency (including Government-owned corporations), or the municipal government of the District of Columbia, in a position requiring him to regularly remain at, or within the confines of, his station during longer than ordinary periods of duty, a substantial part of which consists of remaining in a standby status rather than performing work, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this act. Premium compensation under this subsection shall be determined by the head of the department, establishment, or agency, with the approval of the Civil Service Commission, as an appropriate percentage (not in excess of 25 percent) of such part of the basic compensation for any such position as does not exceed the maximum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, by taking into consideration the number of hours of actual work required in such positions, the number of hours required in a standby status at or within the confines of the station, the extent to which the duties of such position are made more onerous by night or holiday work, or by being extended over periods of more than 40 hours a week, and any other relative factors.

"(b) Any such officer or employee in a position in which the hours of duty cannot be controlled administratively, and which requires substantial amounts of irregular, unscheduled, overtime duty, and duty at night and on holidays with the officer or employee generally being responsible for recognizing, without supervision, circumstances which require him to remain on duty, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this act, except for regularly scheduled overtime duty. Premium compensation under this subsection shall be determined by the head of the department, establishment, or agency, with the aproval of the Civil Service Commission, as an appropriate percentage (not in excess of 15 percent) of such part of the rate of basic compensation for any such position as does not exceed the maximum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, by taking into consideration the frequency and duration of night, holiday, and unscheduled overtime duty required in such position."

Mr. JOHNSTON of South Carolina. Mr. President, I am offering the amendment also on behalf of the Senator from Alabama. [Mr. SPARKMAN], and I ask unanimous consent that his name be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON of South Carolina. Mr. President, on page 15 of the bill my amendment proposes to amend section 401, and I should like to address myself to that section at this time. I seek to strike out section 401 and to insert in lieu thereof my amendment.

It will be noted that on page 15, line 22, of the bill, I propose to insert, after the word "employee", the words "of any department, independent establishment, or agency (including Government-owned corporations), or the municipal government of the District of Columbia."

On page 16, line 5, I propose to insert after the word "determined", the words "by the head of the department, establishment, or agency, with the approval of the Civil Service Commission."

On page 17, line 4, I propose to insert after the word "determined", the words "by the head of the department, establishment, or agency, with the approval of the Civil Service Commission."

The amendment would give each agency, department, and establishment the right to establish how much overtime an employee has earned. All the amendment does is to make it mandatory on the agency head to compensate the employe under the new schedule, which I believe to be only right and just. It should not be more expensive than it would be if each agency did its duty.

I have discussed the matter with the chairman of the committee, of which committee I am also a member, and I have discussed it also with some other members of the committee. The subject was not brought before the committee at the time the committee considered the bill. For that reason I am offering it as an amendment. I believe the chairman understands exactly what the amendment would accomplish. It would do justice to the employees.

Mr. CARLSON. Will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CARLSON. Mr. President, as the distinguished Senator from South Carolina has stated, the amendment was not considered by the committee. However, I have studied it, and I have had it checked with the Civil Service Commission. As I understand, instead of making the language of section 202 permissive, the amendment would make it mandatory. Is that correct?

Mr. JOHNSTON of South Carolina. That is correct. I propose to strike out the word "may", in line 20, on page 15, and substitute the word "shall." That would be the effect of the amendment.

Mr. CARLSON. I have no objection to the amendment. I believe it is in keeping with what we are trying to do in the bill, namely, to make more equitable the overtime pay laws for all Federal employees. I ask unanimous consent that I may have printed in the RECORD at this point a statement on the amendment prepared by the Civil Service Commission.

The PRESIDING OFFICER. Is there objection?

Mr. RUSSELL. Mr. President, reserving the right to object, I should like to ask the distinguished Senator from Kansas whether the cost would be increased by the amendment, and, if so, how much the increase would be.

Mr. CARLSON. I am trying to obtain that information from the Civil Service Commission. It is my personal opinion—and I am so advised by the representative of the Civil Service Commission on the floor—that it will not entail any additional cost.

Mr. RUSSELL. Mr. President, if it does not involve additional cost, I have no objection.

There being no objection, the statement submitted by Mr. CARLSON was ordered to be printed in the RECORD, as follows:

The existing language of section 202 (g) is permissive. It authorizes but does not require agencies, subject to the approval of the Civil Service Commission, to establish additional annual compensation, in lieu of hourly premium pay, for firefighters, investigators, and other groups with like working conditions. The permissive effect is accomplished by the word "may" in line 20 of page 15 of the bill. When an agency does not use the authority granted in section 202 (g) and does not establish additional annual compensation for such employees, they are covered by provisions for additional compensation on an hourly basis for overtime, night, and holiday work, just like other employees.

Senator JOHNSTON'S amendment would make mandatory the payment of additional compensation on an annual basis for all employees in these groups. No employee in the group covered by section 401 (a), e. g., firefighters, could receive any premium pay on an hourly basis. No employee in the group covered by section 401 (b) could receive premium pay on an hourly basis for irregular or unscheduled overtime or night or holiday work. He could receive premium pay on an hourly basis only for regularly scheduled overtime and that would be in addition to his additional annual compensation authorized by section 401 (b).

The provisions of section 202 (g) of S. 2665 were made permissive to facilitate administration.

There are borderline cases where there would be a real question whether the conditions specified in section 202 (g) are met. If section 202 (g) is mandatory, such question must be resolved by legal interpretation, and the administrative desirability or undesirability of the results could not be considered.

If section 202 (g) remains permissive, however, an agency would not be compelled to establish annual rates of additional compensation for all positions meeting the general conditions specified. It could consider in each instance whether the results of such action would be good administratively. Thus, for example, annual rates could be established for groups where the requirements of the statute are clearly met and operation of existing hourly overtime, night, and holiday pay provisions have created or would create administrative problems. On the other hand, the normal hourly premium pay provisions could be left in effect for borderline groups or individual positions which have presented no problems under existing law, and where a change in practice might create more problems than it would solve.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that a statement on the amendment be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHNSTON OF SOUTH CAROLINA

I now ask consideration of the amendment to be inserted on page 15, beginning with line 17 through line 11 on page 17.

This amendment is offered on behalf of the Senator from Alabama [Mr. SPARKMAN] and myself to make mandatory the provision for premium compensation to an employee serving in a position which requires him to remain at, or within, the confines of his station during longer than ordinary periods of duty, a substantial part of which consists of remaining in a standby status.

This amendment rewrites section 401, because it addresses itself to the part of the present bill which provides benefits up to 15 percent additional to base pay for irregular or unscheduled overtime, night, or holiday duty, for Federal employees such as investigators of criminal activities, including agents of the Federal Bureau of Investigation, and investigators of alcohol tax units, whose hours of duty cannot be controlled administratively and which require substantial amounts of irregular, unscheduled overtime duty at night or on holidays.

The agency heads will still retain the authority to establish the amount of overtime, or premium compensation, within the maximums set by the bill. My amendment would merely make it mandatory on the agency head to compensate the employees under the new schedule.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. JOHNSTON], for himself and the Senator from Alabama [Mr. SPARKMAN].

The amendment was agreed to.

Mr. RUSSELL. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to add a new section, as follows:

SEC. 502. Section 6 of the act entitled "An act to provide for the exemption from the Annual and Sick Leave Act of 1951 of certain officers in the executive branch of the Government, and for other purposes," approved July 2, 1953, is hereby repealed.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. RUSSELL].

Mr. RUSSELL. Mr. President, I certainly lay no claim to being an expert in the field of legislation affecting civil-service employees. I have followed several policies very consistently in voting on such legislation. On questions involving the extent of annual and sick leave that might be advanced to any employee of the Government I have always voted for the smallest amount and the shortest time. I did, however, have occasion to ascertain circumstances which affect the leave of employees accumulated during the war years. We all know that during the war years 1941 to 1945, inclusive, employees, particularly in the Defense Department, were not allowed to take their leave. Even if they had been allowed to take it, they could not have obtained transportation, so that they would have had to take it here in Washington. Many of them accumulated a great deal of leave. In some instances, I believe, it ran over 100

days. It may have been as much as 120 days. I am not positive as to that.

At the end of the war Congress passed an act which provided that those employees should be permitted to have 90 days of such leave, and that it would be available to them when they desired to take it. I regarded that, Mr. President, as a contract on the part of the Government.

Last year an act was passed by the Congress which authorized the heads of various agencies to make a regulation which would limit the leave to 30 days and compel the employees to take it. Information has come to me, Mr. President, that in some instances this regulation will have the effect of denying leave to some Federal employees. In my opinion, if that condition does exist, it is almost dishonest for the Government to deprive employees of leave which they were forced to accumulate during the war years.

The effect of the adoption of this amendment will be only to protect the leave which was allowed employees of the Government during the war, and which was ratified by an act of Congress enacted shortly after the end of the war.

Mr. CARLSON. Mr. President, the amendment offered by the distinguished Senator from Georgia would amend the Leave Act of 1953. The distinguished Senator from South Carolina [Mr. JOHNSTON] and I devoted considerable time to this matter a year or two ago. We had in mind trying to force an orderly liquidation of accumulations of leave so as to avoid a cost to the Government which might run into millions of dollars. We wished to bring it about in a way which would not be injurious to employees who had accumulated leave and who were unable to use it. There were some who accumulated leave and did not take it all.

I am sympathetic with what the Senator from Georgia is trying to do, but it does involve, when analyzed, a large sum of money.

Mr. RUSSELL. Mr. President, I certainly do not want to take any action that is going to cost the Treasury more money. The leave has been accumulated and the employees are entitled to it.

Mr. CARLSON. I think the Senator will recall that there were individuals in high positions who took large amounts of leave.

Mr. RUSSELL. I do not think they are entitled to any leave. I do not wish the amendment to apply to them. The amendment is for the benefit of employees in grades 4 and 5 who have once had their leave refused, and the effect of this proposed legislation is to take more leave away from them.

Mr. CARLSON. I will say to the distinguished Senator that I am in accord with his views. I have no doubt that experience has proved that there have been injustices.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. JOHNSTON of South Carolina. Mr. President, when this question was before the conference, we opposed clamping down on the employees and taking away from them what we considered at that time was their right. We tried to save as much as we could. The House conferees wanted to take away all the accumulated leave, but we were able to save as much as 30 days.

I suggest that the amendment be taken to conference so that we may ascertain how far the House will go along with us on the amendment.

Mr. CARLSON. Mr. President, I shall be glad to take the amendment to conference.

Mr. President, I ask unanimous consent that I may place in the RECORD a statement from the Civil Service Commission on this question.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

This amendment would add to the bill a new section which would repeal section 6 of the act entitled "An act to provide for the exemption from the Annual and Sick Leave Act of 1951 of certain officers in the executive branch of the Government, and for other purposes," approved July 2, 1953.

Section 6 of the 1953 leave act amendment directs heads of Federal agencies to have annual leave accumulations in excess of 30 days (45 days for certain employees overseas) reduced to these limits through gradual use within a reasonable period of years. Most agencies have adopted formal policies and plans for this purpose. Generally they provide for the gradual use of all accumulated annual leave over the allowable limits within periods ranging from 4½ to 10 years. The plans typically require that employees use either 10 percent or 6 days of the excess leave each year until the accumulation is reduced to the 30- or 45-day limit allowed by the law.

Many Federal agencies indicate that the required reduction approach is criticized by employees on the grounds that (1) the existing accumulations are their sole financial protection against unemployment, and (2) they had to forego leave during World War II and now prefer to hold the resulting accumulations as a cash reserve, rather than use them gradually by taking more time off each year.

A number of agencies report that the reduction through required use approach has created administrative problems. These agencies report that the reduction requirement (a) results in loss of employee time on duty; (b) impairs operating efficiency; (c) aggravates previous and creates new leave scheduling problems; (d) brings about serious difficulties in staffing one-of-a-kind jobs; (e) results in additional hiring, overtime work, and replacement problems and costs.

The present accumulation limits prevent any further excess annual leave accumulations. If the gradual use requirement were repealed, existing excess accumulations would still be reduced as employees with such accumulations used excess leave and accumulations were paid off when employees resigned, retired, or died. In brief, new excess accumulations could not come about, and existing excess accumulations could only be reduced. Thus, the excess accumulations inevitably would disappear without any positive action to reduce them.

Senator RUSSELL's amendment would eliminate the present statutory provision for reduction through required gradual use. In addition to permitting elimination of excess leave accumulations through voluntary use and employee turnover, repeal of the present requirement would (1) remove a source of employee dissatisfaction, (2) eliminate administrative problems, and (3) save whatever extra costs are involved in enforcing the required use plan.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. RUSSELL].

The amendment was agreed to.

Mr. RUSSELL. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Georgia.

The LEGISLATIVE CLERK. On page 3, line 13, it is proposed to strike out the words, "seven hundred" and insert the words "four hundred."

Mr. RUSSELL. Mr. President, the bill, at page 3, line 13, deals with positions in grades 16, 17, and 18 of the general schedule, and it provides for the creation of 300 in these grades, which were, as I recall, first created in 1949. The pay in these grades is, of course, the highest of any of the salaries received by employees under the civil service. It ranges from $12,000 a year to $14,800 a year.

Mr. President, 400 of those positions were created by the Classification Act of 1949. Since that time, by various acts, 100 more have been created. The last positions of such grades and ratings were created in the Supplemental Appropriations Act of 1954 when we created 65 more of these high-salaried positions for the Department of Defense.

Mr. President, my position in moving to reduce the number of these high-grade position is in nowise dictated by political considerations. During the time when the Democratic Party was in power, as a member of the Appropriations Committee, I consistently opposed continued efforts of the heads of the various governmental agencies to create large numbers of these high-salaried positions. In most instances, the Appropriations Committee did eliminate from the budget estimates requests for an increased number of high-salaried positions. I believe that the political party in power, the one which has the reins of the administration, is entitled to fill every policymaking position in the Government. The responsibility of administering the Government is theirs, and they should be permitted at the policymaking levels to have the instruments and the tools they desire in an effort to discharge the responsibilities of government. However, I can see no justification whatever for increasing by 300 this high-salaried supergrade of official created in 1949.

We have heard a great deal about the fact that this administration is dedicated to economy in government. I submit that to create 300 more of such positions in the salary grades of from $12,000 to $14,800 is not economy. If the administration needs any authority to fill its policymaking positions, and will recommend legislation for that purpose—I do not know that that is involved here—I shall be glad to support it. But on my own behalf, and on behalf of the Senator from Virginia [Mr. BYRD],

I have offered an amendment which would eliminate this increase of 300 high-salaried positions. The number has grown from 400, under the original bill, until now there are, in the Government, 826 of the superclassifications. It seems to me that at a time when we are told that the total number of employees in the Government is being constantly reduced, the administration should be able to get along with the same number of supergrades as were available to the last administration, rather than more. If the number of employees under the present administration has been decreased to the extent which has been asserted, it would seem to me that the administration would not desire to have 300 additional superclassifications.

In my opinion, Congress should stop this trend, which is, in effect, a method of quasi-patronage or else is an upgrading by the creation of new positions, to which employees who have recently come into the Government might be assigned. I hope the Senate will agree to the amendment.

Mr. CARLSON. Mr. President, if the distinguished Senator from Georgia will permit me to consider this question with him for a few minutes, in view of the situation confronting the Government at the present time, I am certain he will agree with me that there is some justification for and merit in the proposal to provide the 300 positions.

In August 1951, the President set a maximum limitation of 300 top-grade positions under the Defense Production Act. After the passage of the Defense Production Act amendment of 1953, the maximum limitation was reduced by the present President to 160. In the absence of other legislation, these 160 supergrade classifications will expire on June 30, next year.

An additional 266 positions come under special statutory authorities requiring Civil Service Commission approval.

Another 39 positions come under special statutory authority not requiring Civil Service Commission approval. Thus there is a total of 865 of these positions.

It is my hope that the Senate will place these positions in the agencies to which they belong, so that whenever an agency requests or desires the supergrade positions, it must justify such positions.

I wish to read for the record some of the requests for these positions received by the Civil Service Commission. They are top-level positions which must be filled by persons with outstanding qualifications.

The positions are as follows:

Typical jobs to be included in supergrades if additional 300 are approved by Congress

Title of position	Agency	Grade recommended by CSC
Administrator, Foreign Service and Trade Programs	Department of Agriculture	GS-17.
Economic Advisor on Budgetary Policy	Bureau of the Budget	GS-17.
Deputy Assistant Secretary (for Administration) and Director of Personnel.	Department of Commerce	GS-17.
Deputy Chief, Weather Bureau	Weather Bureau	GS-16.
Associate Director (Physics)	Bureau of Standards	GS-16.
Deputy Director of Public Health	District of Columbia government	GS-16.
Deputy Governor and Director of Cooperative Bank Service.	Farm Credit Administration	GS-16.
Deputy Commissioner	Immigration and Naturalization Service	GS-17.
Associate Director, Testing, Calibration, and Specifications.	National Bureau of Standards	GS-16.
Chief, Trial Section, Tax Division	Department of Justice	GS-16.
Deputy Assistant Secretary for Congressional Relations. Under policy direction of Assistant Secretary, is responsible for planning and management of the Department's legislative program and coordination of legislation regarding United States foreign policy; direction of liaison by Department with congressional committees and their staff.	Department of State	GS-17.
General Counsel	U. S. Tariff Commission	GS-16.
Deputy Assistant Secretary for Personnel	Department of State	GS-16.
Deputy Assistant Director for Administration	U. S. Information Agency	GS-16.
Chief, Engineering Division	Export-Import Bank	GS-16.
Chief, Office of Security	U. S. Information Agency	GS-16.
Deputy Administrator for Veterans' Benefits	Veterans' Administration	GS-17.
Special assistant to Administrator	do	GS-16.
Deputy to the Secretary	Treasury Department	GS-17.
Assistant to the Secretary	do	GS-16.
Assistant General Counsel	do	GS-16.
Assistant to the Secretary	Department of Interior	GS-17.
Assistant Administrator	Bonneville Power Administration	GS-16.
Associate Commissioner	Bureau of Indian Affairs	GS-16.
Special assistant to the Director	Federal Mediation and Conciliation Service	GS-16.
Associate Director, Langley, Ames, and Lewis Laboratories.	National Advisory Committee for Aeronautics	GS-17.
Do	do	GS-16.
Controller	Post Office Department	GS-18.

These are requests which are pending before the Civil Service Commission at present, and which cannot be filled. It occurs to me that this is an opportunity for Congress to take control of the 700 positions and, instead of having them scattered throughout the agencies, to have them handled through the Civil Service Commission which, after all, is the agency which should deal with such positions.

Mr. RUSSELL. The amendment in no wise affects the right of the Civil Service Commission to deal with these positions. It does not touch the authority of the Commission at all. It lets the Civil Service Commission deal with them, just as under the present law. The amendment merely says that they shall have 300 fewer to deal with than the bill contemplates.

Mr. CARLSON. The Civil Service Commission has advised me that they have been besieged by requests for authority to fill these positions at grades GS-16, 17, and 18. If we do not approve this provision, the departments and agencies will then seek such authority on a piecemeal basis from the Appropriations Committee, through riders to appropriation bills.

Mr. RUSSELL. The Committee on Appropriations has not granted one-tenth of the positions which have been created. It is true that some have been granted at times. That has usually been when some new function was created. Most of the additional positions have been created by executive orders of the President of the United States.

The Appropriations Committee, in my opinion, has done a reasonably good job in holding down the number of these positions. I know we have rejected requests for a very large number of supergrade positions. There have been a few which were granted when new laws were passed, such as the Defense Production Act, to which the Senator has referred, and also the Civil Defense Act. But I believe that a careful study will show that the Committee on Appropriations has not created one-half of the 426 posisions which have been added to the 400 positions originally authorized by Congress.

Mr. CARLSON. I call attention to the fact that under the Independent Offices Appropriation Acts of 1952 and 1953, 19 new jobs were created.

In the Second Supplemental Appropriations Act of 1952, 54 jobs were created.

Then, in the legislative reorganization plan, to which the Senator has referred, 99 new positions were created.

In the Supplemental Appropriation Act of 1951, 26 new jobs were created.

In the Supplemental Appropriations Act of 1954, 65 additional jobs were created.

Mr. RUSSELL. Less than one-third of them have been created by the Committee on Appropriations. If the Senator from Kansas wishes to offer an amendment which will give the Civil Service Commission the power to assign all of those which have been created, I shall be happy to support it.

What I am opposing is the creation of 300 new positions, high-grade positions. In addition to that, the bill gives the Civil Service Commission authority to put all 300 positions in the very highest category, if they so desire. It seems to me that that is not a very desirable state of affairs. It certainly smacks of political appointment for a man to be immediately assigned to grades 16, 17, and 18, without going through any of the lower grades.

The bill would give authority to put all 700 positions in the grade 14 category. Certainly the number of these high classification employees should be reduced.

Mr. CARLSON. Anticipating that the Senator from Georgia might make such a suggestion, I had the committee staff prepare an amendment which reads as follows:

No position shall be placed in grades 16 and 17 of the General Schedule except by

action of or after prior approval by the Commission.

In other words, the Commission would have complete control. Thus the Committee on Appropriations could not create these positions without the approval of the Commission.

Mr. RUSSELL. I subscribe fully to that proposal. I have been unalterably opposed to the Committee on Appropriations creating these positions. Requests for such positions have been sent to the committee time and again by the Bureau of the Budget, during the past 5 years, since the law was passed. I have opposed every such request in the Committee on Appropriations.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. JOHNSTON of South Carolina. When we were considering the bill, a request had been made for 700 such positions. In all fairness, we reduced the number to 400 at that time, thinking that the Government could get by all right. So the positions were not authorized through our committee; they were authorized through the Committee on Appropriations. We would be glad to sit down with members of the Committee on Appropriations and to discuss these matters. I am on the side of the distinguished Senator from Georgia in the case of this particular amendment. At the same time, I do not want the agencies to go around by the back way through the Committee on Appropriations in order to obtain these positions.

Mr. RUSSELL. The Senator from Georgia can assure the Senator from South Carolina that he has fought every one of the increases in positions in these supergrades which has been proposed to the Committee on Appropriations. The agencies come forward with the most specious reasoning I have ever heard. In my opinion, the committee has rejected several hundred requests that were made of the committee. There is no excuse for creating 300 new positions, which can pay up to $14,800 a year, when we hear so much about economy in Government and reducing the numbers of employees.

Mr. JOHNSTON of South Carolina. The main objective I have to the amendment at present is that it promotes every one of the employees in grade 16. I think the Senator from Georgia will agree with me that when there is a position to be filled, which pays a certain amount, the chances are that the head of the department is going to be put in an embarrassing position unless he pays the top salary.

As I have said, it smacks of political favoritism to put employees in the highest grade, without requiring them to go through the lower grades.

Mr. CARLSON. Mr. President, I wish to offer an amendment which I hope will clarify the situation. First, the amendment would provide that none of the positions could be created without approval by the Civil Service Commission; second, there would be a limitation on the number in each of the three grades.

Mr. RUSSELL. Mr. President, I have no objection to the purpose of the Senator's amendment, but I do object to its applying to 1,126 positions, rather than to 826. I am perfectly willing that the power should apply to the 826 positions which now exist, but I still want to have a vote on my amendment to reduce the number from 700 to 400, instead of creating 300 new positions.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BARRETT in the chair). Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Georgia [Mr. RUSSELL].

Mr. RUSSELL. Mr. President, I have discussed this matter with the distinguished chairman of the committee and the distinguished ranking minority member of the committee. In view of those discussions, I now ask that my amendment be modified by striking out the words "four hundred" and inserting in lieu thereof "five hundred and fifty."

The PRESIDING OFFICER. The amendment will be modified accordingly.

Mr. RUSSELL. Mr. President, I may say that the distinguished chairman of the committee, in the amendment to which he referred earlier in the discussion, has now cataloged these positions as to grade, so that all of them will not be in the highest grade.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Georgia, as modified.

The amendment, as modified, was agreed to, as follows:

On page 3, in line 13, after the words "more than", to strike out "seven hundred" and insert in lieu thereof "five hundred and fifty."

The PRESIDING OFFICER. The Chair calls the attention of the Senator from Kansas and the Senator from Georgia to the fact that in line 18, on page 3, the words "seven hundred" appear again. The Chair assumes that, similarly, they should be changed to read "five hundred and fifty."

Mr. RUSSELL. Yes; they should also read "five hundred and fifty." I ask unanimous consent that that change be made, so as to accomplish the purpose we have in mind, and so as to correspond with the modified amendment I offered, on behalf of myself and the Senator from Virginia [Mr. BYRD].

The PRESIDING OFFICER. Without objection, that correction will be made in line 18.

Mr. RUSSELL. I am glad that has been done, Mr. President, because I wish to have our amendment, as modified, apply to both line 13 and line 18, on page 3.

Mr. CARLSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 3, it is proposed to strike out lines 7 to 18, inclusive, and to insert in lieu thereof the following:

SEC. 505. (a) No position shall be placed in grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission. At any one time there shall not be more than 400 positions in grade 16 of the General Schedule and not more than 115 positions in grade 17 of the General Schedule.

(b) No position shall be placed in or removed from grade 18 of the General Schedule except by the President upon recommendation of the Commission. There shall not be more than 35 positions in such grade at any one time.

(c) Positions that may be established under the proviso of section 203 (b) (1) of the act of August 2, 1946 (60 Stat. 836), may be in addition to those authorized by the foregoing provisions of this section.

Mr. CARLSON. Mr. President, this amendment provides that the ratio of the number of positions in each of these grades, 16, 17, and 18 shall be on the same basis as in the previous act creating the 400 original positions.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. CARLSON].

The amendment was agreed to.

Mr. GORE. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Tennessee will be stated.

The CHIEF CLERK. On page 19, line 18, after the word "corporation", it is proposed to insert "(but not including the Tennessee Valley Authority)."

Mr. CARLSON. Mr. President, I have discussed this amendment with the Senator from Tennessee. I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. GORE].

The amendment was agreed to.

Mr. CARLSON. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Kansas will be stated.

The CHIEF CLERK. On page 3, between lines 5 and 6, it is proposed to insert:

(b) Section 204 (c) is amended to read as follows:

"(c) Section 202 (except paragraph 7 thereof) and section 203 shall not apply to the office of the Architect of the Capitol."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas.

Mr. CARLSON. Mr. President, I have received a letter from the Architect of the Capitol, David Lynn, in which he says:

A matter of urgency has come to my attention with respect to S. 2665, affecting employees under the Architect of the Capitol, which I respectfully submit for your consideration.

It is his contention that the bill creates inequities with respect to employees

in his office and I trust the amendment will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas.

The amendment was agreed to.

Mr. CARLSON. I ask unanimous consent that the letter which I received from Mr. Lynn be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ARCHITECT OF THE CAPITOL,
Washington, D. C., April 13, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service, United States Senate.

MY DEAR MR. CHAIRMAN: A matter of urgency has come to my attention with respect to S. 2665, affecting employees under the Architect of the Capitol, which I respectfully submit for your consideration.

Under the provisions of the Classification Act of 1949, as amended, there are 467 full-time positions and 252 part-time charwomen positions under the Architect of the Capitol which are classified under that act as crafts, protective, and custodial grade employees. These employees are engaged in the structural, mechanical, and domestic care of the buildings on Capitol Hill, and other properties under the Architect of the Capitol. Their duties are similar to those performed by the building-maintenance and operation forces of the General Services Administration. Their positions have been subject to the Classification Act since 1929.

S. 2665 abolishes the crafts, protective, and custodial service now provided under the Classification Act and provides, in lieu thereof, that employees occupying such positions shall be paid on a local-prevailing-rate basis. Senate Report 1190, 83d Congress, contains the following statement with respect to the purpose of section 102 (a) of S. 2665:

"Section 102 (a) removes from the Classification Act those maintenance workers in crafts, trades, manual labor, and other similar positions now under the crafts, protective, and custodial schedule of the act, and provides that such employees shall be paid on a local-prevailing-rate basis."

S. 2665 accomplishes this change by amendment of paragraph (7) of section 202 of the Classification Act of 1949, as amended. Section 204 (c) of the Classification Act of 1949 provides as follows with respect to employees under the Architect of the Capitol:

"Sections 202 and 203 shall not apply to the Office of the Architect of the Capitol."

Accordingly, S. 2665, as reported in the Senate, April 6, 1954, results in abolishing the crafts, protective, and custodial service of the Classification Act, but leaves subject to that act maintenance workers under the Architect of the Capitol in crafts, trades, manual labor, and other similar positions now under the crafts, protective, and custodial schedule of the Classification Act.

In order that the purpose of section 102 (a) may be accomplished with respect to employees under the Architect, it is necessary that S. 2665 be amended by adding on page 3, after line 5, as reported to the Senate, the following language:

"Section 204 (c) is amended to read as follows:

" 'Section 202 and 203, except section 202 (7), shall not apply to the Office of the Architect of the Capitol'."

Approval of this language as a Senate floor amendment to S. 2665 is therefore necessary, to insure the uniform treatment intended by S. 2665 with respect to this class of employees.

Yours very truly,

DAVID LYNN,
Architect of the Capitol.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 2665) was passed, as follows:

Be it enacted, etc.—

TITLE I—AMENDMENTS TO THE CLASSIFICATION ACT OF 1949, AS AMENDED

SEC. 101. This title may be cited as the "Classification Act Amendments of 1954."

SEC. 102. The Classification Act of 1949, as amended, is further amended as follows:

(a) Paragraph (7) of section 202 is amended to read as follows:

"(7) employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor occupations, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and knowledge as the paramount requirement, and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experience, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine operations: *Provided,* That the compensation of such employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates: *Provided further,* That whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees shall be subject to the provisions of the Classification Act of 1949, as amended, which are applicable to positions of equivalent difficulty or responsibility;".

(b) Section 204 (c) is amended to read as follows:

"(c) Section 202 (except par. 7 thereof) and section 203 shall not apply to the Office of the Architect of the Capitol."

(c) Section 505 is amended to read as follows:

"SEC. 505. (a) No position shall be placed in grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission. At any one time there shall not be more than 400 positions in grade 16 of the General Schedule and not more than 115 positions in grade 17 of the General Schedule.

"(b) No position shall be placed in or removed from grade 18 of the General Schedule except by the President upon recommendation of the Commission. There shall not be more than 35 positions in such grade at any one time.

"(c) Positions that may be established under the proviso of section 203 (b) (1) of the act of August 2, 1946 (60 Stat. 836), may be in addition to those authorized by the foregoing provisions of this section."

(d) Section 601 is amended to read as follows:

"SEC. 601. There is hereby established for positions to which this act applies a basic compensation schedule to be known as the 'General Schedule,' the symbol for which shall be 'GS'."

(e) Section 602 is amended as follows:

(1) Strike out the "(a)" after "SEC. 602."

(2) Subsection (b) of said section is hereby repealed.

(f) Section 603 is amended as follows:

(1) Subsection (a) of said section is amended to read as follows:

"(a) The rates of basic compensation with respect to officers, employees, and positions to which this act applies shall be in accordance with the compensation schedule contained in subsection (b)."

(2) Subsection (c) of said section is hereby repealed.

(3) Subsection (d) of said section is relettered and amended to read as follows:

"(c) Whenever payment is made on the basis of a daily, hourly, weekly, biweekly, or monthly rate, such rate shall be computed from the appropriate annual rate specified in subsection (b) by the method prescribed in section 604 (d) of the Federal Employees Pay Act of 1945, as amended."

(g) Section 604 is amended to read as follows:

"SEC. 604. Employees receiving basic compensation at a rate authorized by law, immediately prior to the effective date of this title, in excess of the appropriate new rate of the grade as determined under paragraphs (1) to (10), inclusive, of section 604 (b) of this act, as in effect prior to the date of enactment of the Classification Act Amendments of 1954, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this act."

(h) Section 703 is amended as follows:

(1) Subsection (a) is amended by striking out the words "change of grade or rate of basic compensation except such change as may be prescribed by any provision of law of general application" and inserting in lieu thereof the words "increase in grade or rate of basic compensation except such increase as may be prescribed by any provision of law of general application."

(2) Subsection (b) (1) is amended to read as follows:

"(b) (1) No officer or employee shall be entitled to a longevity step increase while holding a position in any grade above grade 15 of the General Schedule."

(3) Subsection (c) is amended by striking out "section 604 (b) (11), section 1105 (b)" and inserting in lieu thereof "section 604 or section 1105 (b) of this act, or section 103 (b) (4) of the Classification Act Amendments of 1954."

(i) Section 704 of such act is amended by adding at the end thereof a new sentence, as follows: "Service immediately preceding the date of enactment of the Classification Act Amendments of 1954 shall be counted toward longevity step increases under section 703 in the case of persons in grades 11 to 15, inclusive, who on such date are receiving compensation at the maximum scheduled rates for their respective grades."

(j) Section 802 (b) is amended by striking out "section 604 (b) (11), section 1105 (b)" and inserting in lieu thereof "section 604 or section 1105 (b) of this act or section 103 (b) (4) of the Classification Act Amendments of 1954."

(k) Section 803 is amended to read as follows:

"SEC. 803. (a) Whenever the Commission shall find (1) that a sufficient number of qualified eligibles for positions in a given class cannot be secured in one or more areas or locations at the existing minimum rate for such class, and (2) that there is a possibility that a sufficient number of such eligibles can be secured by increasing the minimum rate for such class in such areas or locations to one of the higher rates within the grade in which such class is placed, the Commission may establish such higher rate as the minimum rate for that class in each area or location concerned.

"(b) Minimum rates established under subsection (a) may be revised from time to time by the Commission. Such actions or

revisions shall have the force and effect of law.

"(c) Any increase in rate of basic compensation resulting from the establishment of new minimum rates under this section shall not be regarded as an 'equivalent increase' in compensation within the meaning of title VII."

SEC. 103. (a) Not later than the first day of the first pay period which begins 6 months after the enactment of this act, all positions in the Crafts, Protective, and Custodial Schedule of the Classification Act of 1949, as amended, not excluded from such act by section 202 (7) thereof, as amended herein, shall be placed in corresponding grades of the General Schedule as set forth below:

Grade of the Crafts, Protective, and Custodial Schedule	Corresponding new grade of the General Schedule
1	1
2	1
3	1
4	2
5	3
6	4
7	5
8	6
9	7
10	8

(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows:

(1) If the employee is receiving a rate of basic compensation less than the minimum scheduled rate of the grade in which his position is placed, his compensation shall be increased to the minimum rate;

(2) If the employee is receiving a rate of basic compensation within the range of salary, including longevity rates, prescribed for the grade in which his position is placed, at one of the rates fixed therein, no change shall be made in his existing rate;

(3) If the employee is receiving a rate of basic compensation within the range of salary, including longevity rates, prescribed for the grade in which his position is placed, but not at one of the rates fixed therein, his compensation shall be increased to the next higher rate;

(4) If the employee is receiving a rate of basic compensation in excess of the maximum rate, including longevity rates, for the grade in which his position is initially placed, he shall continue to receive basic compensation without change in rate until (a) he leaves such position, or (b) he is entitled to receive basic compensation at a higher rate by reason of the operation of other provisions of the Classification Act of 1949, as amended; but when any such position becomes vacant, the rate of of basic compensation of any subsequent appointee shall be fixed in accordance with the provisions of the Classification Act of 1949, as amended; and

(5) The conversion to grades of the general schedule of positions covered by this section, and the initial adjustments in compensation as prescribed herein, shall not be construed to be transfers or promotions within the meaning of section 802 (b) of the Classification Act of 1949, as amended, and the regulations issued thereunder.

SEC. 104. (a) With respect to any employee and position, which, immediately prior to the date of enactment of this act, is subject to the Classification Act of 1949, as amended, but to which section 102 (a) of this title applies, this title shall take effect on the date or dates specified by the head of the respective department, but not later than the first day of the first pay period which begins after 12 months following the date of enactment of this act.

(b) With respect to employees and positions to which sections 102 (a) and 103 of this title apply, the provisions of the Classification Act of 1949, as amended, and any provisions of law and regulations controlling pay adjustments which were in effect on the date of enactment of this act, shall continue in effect for any such employee or position until compensation shall have been fixed in accordance with the provisions of this title.

SEC. 105. The Commission is hereby authorized to issue such regulations as may be necessary for the administration of this title.

SEC. 106. Nothing contained in this title shall be construed to decrease the existing compensation of any present employee, but when his position becomes vacant, any subsequent appointee to such position shall be compensated in accordance with the regular schedule applicable to such position.

TITLE II—PREMIUM COMPENSATION

SEC. 201. This title may be cited as the "Premium Compensation Act of 1954."

SEC. 202. The Federal Employees Pay Act of 1945, as amended, is further amended as follows:

(a) Section 101 is amended as follows:

(1) Subsection (a) is amended by striking out "titles II and III" and inserting in lieu thereof "titles II, III, and IV."

(2) Subsection (b) is repealed.

Compensation for overtime work

(b) Section 201 is amended to read as follows:

"SEC. 201. All hours of work officially ordered or approved in excess of 40 hours in any administrative workweek performed by officers or employees to whom this title applies shall be considered to be overtime work and compensation for such overtime work, except as otherwise provided for in this act, shall be at the following rates:

"(a) For officers and employees whose basic compensation is at a rate which does not exceed the maximum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to one and one-half times the hourly rate of such officer's or employee's basic compensation, and all of such amount shall be considered premium compensation.

"(b) For officers and employees whose basic compensation is at a rate which exceeds the maximum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to one and one-half times the hourly rate of such maximum rate, and all of such amount shall be considered premium compensation."

(c) Section 202 (a) is amended to read as follows:

"SEC. 202. (a) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, or the municipal government of the District of Columbia (1) may, at the request of any officer or employee, grant such officer or employee compensatory time off from his scheduled tour of duty in lieu of payment for an equal amount of time spent in irregular or occasional overtime work, and (2) may, at his own discretion, provide that any officer or employee, whose rate of basic compensation is in excess of the maximum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, shall be compensated for irregular or occasional overtime work for which compensation would be due under this act with not more than an equal amount of compensatory time off from his scheduled tour of duty in lieu of such compensation."

(d) (1) Section 203 is redesignated as section 205, and wherever such section number appears in such act or in any other provision of law it is amended to conform to the redesignation prescribed by this subsection.

(2) After section 202, insert the following new sections:

"Call-back overtime

"SEC. 203. For the purposes of this act, any unscheduled overtime work performed by any officer or employee on a day when no work was scheduled for him, or for which he is required to return to his place of employment, shall be considered to be at least 2 hours in duration.

"Time in travel status

"SEC. 204. For the purpose of this act, time spent in a travel status away from the official-duty station of any officer or employee shall be considered as hours of employment only when (a) within the days and hours of such officer's or employee's regularly scheduled administrative workweek, including regularly scheduled overtime hours, or (b) when the travel involves the performance of work while traveling or is carried out under arduous conditions."

Compensation for night and holiday work

(e) Section 301 is amended to read as follows:

"SEC. 301. (a) Any regularly scheduled work between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian (including periods of absence with pay during such hours due to holidays, and any such hours within periods of leave with pay if such periods total less than 8 hours during any pay period) shall be considered nightwork, except as provided in subsection (b), and any officer or employee performing such work to whom this title applies shall be compensated for it at his rate of basic compensation plus premium compensation amounting to 10 percent of such rate, unless otherwise provided in this act, and except that this section shall not operate to modify the provisions of the act of July 1, 1944 (Public Law No. 394, 78th Cong.), or any other law authorizing additional compensation for nightwork.

"(b) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, may designate any time after 6 o'clock postmeridian and any time before 6 o'clock antemeridian as the beginning and end, respectively, of nightwork for the purpose of subsection (a) at any post outside the several States and the District of Columbia where customary hours of business extend into the hours of nightwork provided by such subsection."

(f) Section 302 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"SEC. 302. (a) All work not exceeding 8 hours, which is not overtime work as defined in section 201 of this act and which is performed on a holiday designated by Federal statute or Executive order, shall be compensated at the rate of basic compensation of the officer or employee performing such work on a holiday plus premium compensation at a rate equal to such officer's or employee's rate of basic compensation. Any officer or employee who is required to perform any work on such a holiday shall be compensated for at least 2 hours of such work, and any such premium compensation due under the provisions of this section shall be in addition to any premium compensation which may be due for the same work under the provisions of section 301 of this act providing premium compensation for nightwork.

"(b) Overtime work, as defined in section 201 of this act, on Sundays and such holidays shall be compensated in accordance with the provisions of such section 201."

Special provisions for certain types of work

(g) After title III insert a new title as follows:

"TITLE IV—SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK

"SEC. 401. (a) Any officer or employee of any department, independent establishment, or agency (including Government-owned corporations), or the municipal government of the District of Columbia, in a position requiring him to regularly remain at, or within the confines of, his station during longer than ordinary periods of duty, a substantial part of which consists of remaining in a standby status rather than performing work, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this act. Premium compensation under this subsection shall be determined by the head of the department, establishment, or agency, with the approval of the Civil Service Commission, as an appropriate percentage (not in excess of 25 percent) of such part of the basic compensation for any such position as does not exceed the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, by taking into consideration the number of hours of actual work required in such positions, the number of hours required in a standby status at or within the confines of the station, the extent to which the duties of such position are made more onerous by night or holiday work, or by being extended over periods of more than 40 hours a week, and any other relative factors.

"(b) Any such officer or employee in a position in which the hours of duty cannot be controlled administratively, and which requires substantial amounts of irregular, unscheduled, overtime duty, and duty at night and on holidays with the officer or employee generally being responsible for recognizing, without supervision, circumstances which require him to remain on duty, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this act, except for regularly scheduled overtime duty. Premium compensation under this subsection shall be determined by the head of the department, establishment, or agency, with the approval of the Civil Service Commission, as an appropriate percentage (not in excess of 15 percent) of such part of the rate of basic compensation for any such position as does not exceed the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, by taking into consideration the frequency and duration of night, holiday, and unscheduled overtime duty required in such position."

Limitation on premium compensation

(h) Section 603 and the heading immediately preceding such section are amended to read as follows:

"Limitation on premium compensation

"SEC. 603. No premium compensation provided by this act shall be paid to any officer or employee whose rate of basic compensation exceeds the maximum scheduled rate of basic compensation provided for grade GS–15 in the Classification Act of 1949, as amended, or when any such premium compensation would cause such officer's or employee's rate of compensation, including basic compensation and premium compensation provided by this act, to exceed such maximum rate with respect to any pay period."

Work schedules

(i) (1) The heading immediately preceding section 604 is amended to read as follows:

"Establishment of basic workweek; work schedules; pay computation methods"

(2) Section 604 (a) is amended by inserting "(1)" after "(a)" and by adding at the end thereof a new paragraph as follows:

"(2) The head of each such department, establishment, and agency and the municipal government of the District of Columbia shall provide with respect to all officers and employees in his respective organization, except where he determines that such organization would be seriously handicapped in carrying out its functions or that costs would be substantially increased; that (A) assignments to tours of duty shall be scheduled in advance over periods of not less than 1 week, (B) the basic workweek shall be 40 hours, (C) such 40 hours shall be scheduled on 5 days, which shall be Monday through Friday, wherever possible, and the 2 days outside the basic workweek shall be consecutive, (D) the working hours in each day in the basic workweek shall be the same, (E) the basic nonovertime workday shall not exceed 8 hours, (F) the occurrence of holidays shall not affect the designation of the basic workweek, and (G) breaks in working hours of more than 1 hour shall not be scheduled in any basic workday."

(j) This title shall become effective at the beginning of the first pay period beginning after July 1, 1954.

TITLE III—GOVERNMENT EMPLOYEES' INCENTIVE AWARDS

SEC. 301. This title may be cited as the "Government Employees' Incentive Awards Act."

SEC. 302. The departmental awards program set forth in this title shall be carried out under such regulations and instructions as may be issued by the United States Civil Service Commission which shall annually report the results of the program, with related recommendations, to the President for transmittal to the Congress.

SEC. 303. As used in this title, the term "department" means an executive department or independent agency in the executive branch of the Government, including a Government-owned or controlled corporation (but not including the Tennesee Valley Authority), and also includes (a) the Administrative Office of the United States Courts, (b) the Library of Congress, (c) the Botanic Garden, (d) the Government Printing Office, (e) the Office of the Architect of the Capitol, and (f) the municipal government of the District of Columbia.

SEC. 304 (a) The head of each department is authorized to pay cash awards to, and to incur necessary expenses for the honorary recognition of, civilian officers and employees of the Government who by their suggestions, inventions, superior accomplishments, or other personal efforts contribute to the efficiency, economy, or other improvement of Government operations or who perform special acts or services in the public interest in connection with or related to their official employment.

(b) In instances determined by the President to warrant such action, he is authorized to pay cash awards to, and to incur necessary expenses for the honorary recognition of, civilian officers and employees of the Government who by their suggestions, inventions, superior accomplishments, or other personal efforts contribute to the efficiency, economy, or other improvement of Government operations, or who perform exceptionally meritorious special acts or services in the public interest in connection with or related to their official employment, and by such Presidential awards may be in addition to the departmental awards authorized in subsection (a) of this section.

(c) Awards under this section may be paid notwithstanding the death or separation from the service of the officer or employee concerned: *Provided*, That the suggestions, inventions, superior accomplishments, other personal efforts, or special acts or service in the public interest forming the basis for the awards are made or rendered while the officer or employee is in the employ of the Government.

(d) A cash award under this section shall be in addition to the regular compensation of the recipient and the acceptance of such cash award shall constitute an agreement that the use by the United States of any idea, method or device for which the award is made shall not form the basis of a further claim of any nature upon the United States by the employee, his heirs, or assigns.

(e) Awards to employees and expenses for the honorary recognition of employees may be paid from the funds or appropriations available to the activity primarily benefiting or may be paid from the several funds or appropriations of the various activities benefiting as may be determined by the President for awards under subsection (b) of this section, and by the head of the department concerned for awards under subsection (a) of this section.

(f) An award under this title shall be given due weight in qualifying and selecting employees for promotion to positions in higher grades.

SEC. 305. The following laws and parts of laws are hereby repealed:

(a) Sections 702, 1002, and 1003 of the Classification Act of 1949 (63 Stat. 954; 5 U. S. C. 1122, 1152, 1153).

(b) Section 14 of the act entitled "An act to authorize certain administrative expenses in the Government service, and for other purposes," approved August 2, 1946 (60 Stat. 809; 5 U. S. C. 116a).

(c) The act entitled "An act authorizing payments of rewards to postal employees for inventions," approved December 3, 1945 (59 Stat. 591; 39 U. S. C. 813).

(d) The act entitled "An act authorizing the Secretary of War to pay a cash award for suggestions submitted by employees of certain establishments of the Ordnance Department for improvement or economy in manufacturing process or plant," approved July 17, 1912 (37 Stat. 193; 50 U. S. C. 58).

(e) The act entitled "An act to provide equitable compensation for useful suggestions or inventions by personnel of the Department of the Interior," approved June 26, 1944 (58 Stat. 360; 5 U. S. C. 500).

(f) Subsections (a) and (b) of section 35 of the act entitled "An act to enact certain provisions now included in the Naval Appropriatoin Act, 1946, and for other purposes", approved August 2, 1949 (60 Stat. 857; 5 U. S. C. 416).

(g) The joint resolution of March 13, 1944 (ch. 91, 58 Stat. 115) (46 U. S. C. 1111b).

(h) The second proviso in section 5 (1) of the act of May 18, 1933 (16 U. S. C. 831).

(i) All other laws or parts of laws inconsistent with this act are hereby repealed to the extent of such inconsistency.

SEC. 306. This title shall take effect on the 90th day after the date of its enactment.

TITLE IV—UNIFORM ALLOWANCES

SEC. 401. This title may be cited as the "Federal Employees Uniform Allowance Act."

SEC. 402. There is hereby authorized to be appropriated annually to each agency of the Government of the United States or of the District of Columbia (including Government-owned corporations), upon a showing of the necessity or desirability thereof, an amount not to exceed $100 multiplied by the number of the employees of such agency who are required by regulation now existing or by law to wear a prescribed uniform in the performance of his or her official duties and who are not being furnished with such uniform. The head of any agency to which any such appropriation is made shall pay, out of such appropriation, to each such employee an allowance for defraying the expenses of acquisition and upkeep of such uniform at such times and in such amounts, not to exceed $100 per annum, as may be

prescribed by the head of such agency in accordance with rules and regulations promulgated pursuant to section 404. Where the payment of a uniform allowance is authorized under any other provision of law or regulation existing on the date of enactment of this act, the head of the agency may in his discretion continue the payment of such allowance under such provision of law or regulation, but where a uniform allowance is paid under any such law or regulation no allowance shall be paid under this section.

SEC. 403. Allowances paid under this title shall not be considered as pay, salary, or compensation within the meaning of the Civil Service Retirement Act of May 29, 1930, as amended, or as wages within the meaning of section 209 of the Social Security Act, as amended, or subchapter A or D of chapter 9 of the Internal Revenue Code, as amended.

SEC. 404. The Director of the Bureau of the Budget is authorized and directed to promulgate such rules and regulations as may be necessary to provide for the uniform administration of this title.

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. Section 1310 of the Supplemental Appropriation Act, 1952 (Public Law 253, 82d Cong.), as amended, is hereby repealed.

SEC. 502. Section 6 of the act entitled "An act to provide for the exemption from the Annual and Sick Leave Act of 1951 of certain officers in the executive branch of the Government, and for other purposes," approved July 2, 1953, is hereby repealed.

COMPENSATION OF CERTAIN PERSONS DAMAGED BY FLUCTUATIONS IN THE WATER LEVEL OF THE LAKE OF THE WOODS, MINN.

Mr. MARTIN. Mr. President, on March 2, 1954, the Senate passed Senate bill 215, a bill to provide for determining the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods, Minnesota. On April 26, 1954, the House passed a similar bill, H. R. 2098, which is now at the desk. Since the language of the two bills is identical except for a minor amendment by the Senate, I ask unanimous consent for the present consideration of H. R. 2098, and that all after the enacting clause be stricken out, and that in lieu thereof the language of the Senate bill, S. 215, be inserted. I further request unanimous consent that the title be amended to conform to the title of the bill as passed by the Senate.

The PRESIDING OFFICER laid before the Senate the bill (H. R. 2098) to provide for the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods, which was read twice by its title.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

Mr. JOHNSON of Texas. Mr. President, reserving the right to object, will the Senator give us an explanation?

Mr. MARTIN. Senate bill 215 was passed on the call of the calendar on March 2, 1954. The bill is approved by the Army engineers and by the Budget Bureau. It approves the payment of certain damages by reason of the flooding of certain lands because of fluctuations in the water level of the Lake of the Woods, Minnesota. Compensation would be paid under a treaty arrangement between Canada and the United States. There is only a very small amount of money involved. The Senate bill was passed unanimously by the Senate. There is a slight difference between the House bill and the Senate bill.

Mr. JOHNSON of Texas. What is the difference?

The PRESIDING OFFICER. The clerk will state the committee amendment.

Mr. JOHNSON of Texas. Mr. President, I have no disposition to delay consideration of the bill, but this is the first information I have about it. This is not a good way to legislate. I wonder if the distinguished chairman of the committee will withhold his request until we have had an opportunity to review the question. Ordinarily the majority leader takes up in advance matters of this kind.

Mr. THYE. Mr. President, I think I can give an explanation, although I am not the author of the bill.

The water levels on Rainy River are controlled, as between Canada and the United States, by a Commission. The Commission, pursuant to its administrative policy, had held the water at such a level that certain lands were flooded. The purpose of the bill is to compensate property owners for the damage which they suffered because of the flooding of the land.

Mr. KNOWLAND. Mr. President, I think what the minority leader was primarily requesting was an explanation of the difference between the House and Senate versions of the bill. The distinguished Senator from Pennsylvania asked to have the House bill substituted for the Senate bill, which was passed by unanimous consent.

Mr. THYE. I understood that the minority leader desired an explanation of the bill.

Mr. JOHNSON of Texas. Mr. President, I should like an explanation of the difference between the bill passed by the House and the bill passed by the Senate. If the distinguished chairman of the committee will withhold his request for a moment until I can explore the question and see if there is any objection on this side of the aisle, undoubtedly the bill can be taken up a little later in the afternoon.

The PRESIDING OFFICER. The Chair inquires if the Senator from Pennsylvania withdraws his request.

Mr. MARTIN. Mr. President, I withdraw my request.

Mr. KNOWLAND subsequently said: Mr. President, I ask unanimous consent that the bill previously referred to by the Senator from Pennsylvania [Mr. MARTIN] be now considered.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 2098) to provide for compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. Without objection, the several requests previously made by the Senator from Pennsylvania [Mr. MARTIN] will be agreed to.

Mr. HUMPHREY. Mr. President, I hope the Senate will accept the language of the House bill. This is a bill to indemnify certain persons who suffered damage because of the fluctuations in the level of waters which are controlled by an international joint commission. The amount of benefits possible under the Senate bill for the aggrieved landowners is somewhat less than the possible indemnities under the House bill. I have just been in consultation with some House Members, and I know that if the language of the Senate bill is substituted for the House language, the bill will go to conference, and there will have to be some adjustment of the differences between the two Houses. The amount involved is not substantial, and it appears to me that the Senate might better accept the House language and be done with it.

Mr. KNOWLAND. Mr. President, if the Senator from Minnesota will permit me, I had understood that the substitution of the Senate bill for the House bill, which was a proposal of the Senator from Pennsylvania, was generally agreeable. I could not consent, of course, when we have passed a Senate bill on the unanimous consent calendar, on certain representations made, now to take the House bill which provides a different figure. I think the proper procedure would be to substitute the language of the Senate bill for the language of the House bill and send it to conference, when the distinguished Senator from Minnesota and other Senators will have an opportunity to discuss the equities of their proposal as distinguished from the Senate proposal.

Mr. HUMPHREY. Mr. President, I would have no particular objection to that at this moment. I merely wanted to register what I considered to be a legitimate protest as to the lack of adequate indemnity jurisdiction as provided in the Senate bill. I shall certainly state my case before the conference.

Mr. KNOWLAND. Mr. President, the request of the Senator from Pennsylvania [Mr. MARTIN] was that all after the enacting clause of the House bill be stricken and that the language of the Senate bill be substituted therefor.

The PRESIDING OFFICER. Without objection, the request of the Senator from Pennsylvania is agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

EXECUTIVE SESSION

Mr. KNOWLAND. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. BARRETT in the chair) laid before the Senate a message from the President of the United States submitting the nomination of Joseph May Swing, of California, to be Commissioner of Immigration and Naturalization, vice Argyle R. Mackey, resigned, which was referred to the Committee on the Judiciary.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. CARLSON, from the Committee on Post Office and Civil Service:

Twenty-five postmasters.

THE INTERNATIONAL SUGAR AGREEMENT

The Senate, as in Committee of the Whole, proceeded to consider the agreement (Executive B, 83d Cong., 2d sess.), the International Sugar Agreement, dated in London, October 1, 1953, which was read the second time, as follows:

INTERNATIONAL SUGAR AGREEMENT

The Governments party to this Agreement have agreed as follows:—

CHAPTER I.—GENERAL OBJECTIVES

Article 1

The objectives of this Agreement are to assure supplies of sugar to importing countries and markets for sugar to exporting countries at equitable and stable prices; to increase the consumption of sugar throughout the world; and to maintain the purchasing power in world markets of countries or areas whose economies are largely dependent upon the production or export of sugar by providing adequate returns to producers and making it possible to maintain fair standards of labour conditions and wages.

CHAPTER II.—DEFINITIONS

Article 2

For the purposes of this Agreement—

(1) "Ton" means a metric ton of 1,000 kilograms.

(2) "Quota Year" means calendar year, that is, the period from January 1 to December 31, both inclusive.

(3) "Sugar" means sugar in any of its recognised commercial forms derived from sugar cane or sugar beet, including edible and fancy molasses, syrups and any other form of liquid sugar used for human consumption, except final molasses and low-grade types of non-centrifugal sugar produced by primitive methods.

Amounts of sugar specified in this Agreement are in terms of raw value, net weight, excluding the container. Except as provided in Article 16, the raw value of any amount of sugar means its equivalent in terms of raw sugar testing 96 sugar degrees by the polariscope.

(4) "Net imports" means total imports of sugar after deducting total exports of sugar.

(5) "Net exports" means total exports of sugar (excluding sugar supplied as ships' stores for ships victualling at domestic ports) after deducting total imports of sugar.

(6) "Free market" means the total of net imports of the world market except those excluded under any provisions of this Agreement.

(7) "Basic export tonnages" means the quantities of sugar specified in Article 14 (1).

(8) "Initial export quota" means the quantity of sugar allotted for any quota year under Article 18 to each country listed in Article 14 (1).

(9) "Export quota in effect" means the initial export quota as modified by such adjusment as may be made from time to time.

(10) "Stocks of Sugar," for the purposes of Article 13, means either:—

(1) All sugar in the country concerned either in factories, refineries, warehouses, or in the course of internal transportation for destinations within the country, but excluding bonded foreign sugar (which term shall be regarded as also covering sugar "en admission temporaire") and excluding sugar in factories, refineries and warehouses or in the course of internal transportation for destinations within the country, which is solely for distribution for internal consumption and on which such excise or other consumption duties as exist in the country concerned have been paid; or

(2) All sugar in the country concerned either in factories, refineries, warehouses, or in the course of internal transportation for destinations within the country, but excluding bonded foreign sugar (which term shall be regarded as also covering sugar "en admission temporaire") and excluding sugar in factories, refineries and warehouses or in the course of internal transportation for destinations within the country which is solely for distribution for internal consumption;

according to the notification made to the Council by each Participating Government under Article 13.

(11) "The Council" means the International Sugar Council established under Article 27.

(12) "The Executive Committee" means the Committee established under Article 37.

(13) "Importing Country" means one of the countries listed in Article 33, or any country which is a net importer of sugar, as the context requires.

(14) "Exporting Country" means one of the countries listed in Article 34, or any country which is a net exporter of sugar, as the context requires.

CHAPTER III.—GENERAL UNDERTAKINGS BY PARTICIPATING GOVERNMENTS

Article 3

1. Subsidies

(1) The Participating Governments recognise that subsidies on sugar may so operate as to impair the maintenance of equitable and stable prices in the free market and so endanger the proper functioning of this Agreement.

(2) If any Participating Government grants or maintains any subsidy, including any form of income or price support, which operates directly or indirectly to increase exports of sugar from, or to reduce imports of sugar into its territory, it shall during each quota year notify the Council in writing of the extent and nature of the subsidisation, of the estimated effect of the subsidisation on the quantity of sugar exported from or imported into its territory and of the circumstances making the subsidisation necessary.

(3) In any case in which a Participating Government considers that serious prejudice to its interests under this Agreement is caused or threatened by such subsidisation, the Participating Government granting the subsidy shall, upon request, discuss with the other Participating Government or Governments concerned, or with the Council, the possibility of limiting the subsidisation. In any case in which the matter is brought before the Council, the Council may examine the case with the Governments concerned and make such recommendations as it deems appropriate.

Article 4

2. Programmes of Economic Adjustment

Each Participating Government agrees to adopt such measures as it believes will be adequate to fulfil its obligations under this Agreement with a view to the achievement of the general objectives set forth in Article 1 and as will ensure as much progress as practicable within the duration of this Agreement towards the solution of the commodity problem involved.

Article 5

3. Promotion of Increased Consumption of Sugar

With the object of making sugar more freely available to consumers, each Participating Government agrees to take such action as it deems appropriate to reduce disproportionate burdens on sugar, including those resulting from—

(i) private and public controls, including monopoly;

(ii) fiscal and tax policies.

Article 6

4. Maintenance of Fair Labour Standards

The Participating Governments declare that, in order to avoid the depression of living standards and the introduction of unfair competitive conditions in world trade, they will seek the maintenance of fair labour standards in the sugar industry.

CHAPTER IV.—SPECIAL OBLIGATIONS OF THE PARTICIPATING GOVERNMENTS OF COUNTRIES WHICH IMPORT SUGAR

Article 7

(1)—(i) The Government of each participating importing country and the Government of each participating exporting country which imports sugar for re-export agrees that, to prevent non-participating countries from gaining advantage at the expense of participating countries, it will not permit the import from non-participating countries as a group during any quota year of a total quantity larger than was imported from those countries as a group during any one of the three calendar years preceding the year in which the Agreement entered into force, i. e., 1951, 1952, 1953; provided that the said total quantity shall not include imports purchased by a participating country from non-participating countries at any time when such country cannot meet its requirements from participating countries at tprices not exceeding the maximum established in Article 20, and has so notified the Council.

(ii) The years referred to in sub-paragraph (i) of this paragraph may be varied by a determination of the Council on the application of any Participating Government which considers that there are special reasons for such variation.

(2)—(i) If any Participating Government considers that the obligation it has assumed under paragraph (1) of this Article is operating in such a way that its country's re-export trade in refined sugar or trade in sugar-containing products is suffering damage therefrom, or is in imminent danger of being damaged, it may request the Council to take action to safeguard the trade in question, and the Council shall forthwith consider any such request and shall take such action, which may include the modification of the aforesaid obligation, as it deems necessary for that purpose. If the Council fails to deal with a request made to it under this sub-paragraph within 15 days of its receipt, the Government making the request shall be deemed to have been released from its obligation under paragraph (1) of this Article to the extent necessary to safeguard the said trade.

(ii) If in a particular transaction in the usual course of trade the delay resulting from the procedure provided for in sub-paragraph (i) of this paragraph might result in damage to a country's re-export trade

83D CONGRESS
2D SESSION

S. 2665

IN THE HOUSE OF REPRESENTATIVES

APRIL 29, 1954

Referred to the Committee on Post Office and Civil Service

AN ACT

To amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I—AMENDMENTS TO THE CLASSIFICATION
4 ACT OF 1949, AS AMENDED

5 SEC. 101. This title may be cited as the "Classification
6 Act Amendments of 1954".

7 SEC. 102. The Classification Act of 1949, as amended,
8 is further amended as follows:

9 (a) Paragraph (7) of section 202 is amended to read
10 as follows:

1 "(7) employees in recognized trades or crafts, or
2 other skilled mechanical crafts, or in unskilled, semi-
3 skilled, or skilled manual-labor occupations, and other
4 employees including foremen and supervisors in posi-
5 tions having trade, craft, or laboring experience and
6 knowledge as the paramount requirement, and employ-
7 ees in the Bureau of Engraving and Printing the duties
8 of whom are to perform or to direct manual or machine
9 operations requiring special skill or experience, or to
10 perform or direct the counting, examining, sorting, or
11 other verification of the product of manual or machine
12 operations: *Provided*, That the compensation of such
13 employees shall be fixed and adjusted from time to time
14 as nearly as is consistent with the public interest in ac-
15 cordance with prevailing rates: *Provided further*, That
16 whenever the Civil Service Commission concurs in
17 the opinion of the employing agency that in any given
18 area the number of such employees is so few as to make
19 prevailing rate determinations impracticable, such em-
20 ployee or employees shall be subject to the provisions of
21 the Classification Act of 1949, as amended, which are
22 applicable to positions of equivalent difficulty or re-
23 sponsibility;".
24 (b) Section 204 (c) is amended to read as follows:
25 "(c) Section 202 (except paragraph 7 thereof) and

1 section 203 shall not apply to the Office of the Architect of
2 the Capitol."
3 (c) Section 505 is amended to read as follows:
4 "SEC. 505. (a) No position shall be placed in grade
5 16 or 17 of the General Schedule except by action of, or
6 after prior approval by, the Commission. At any one time
7 there shall not be more than four hundred positions in grade
8 16 of the General Schedule and not more than one hundred
9 and fifteen positions in grade 17 of the General Schedule.
10 "(b) No position shall be placed in or removed from
11 grade 18 of the General Schedule except by the President
12 upon recommendation of the Commission. There shall not
13 be more than thirty-five positions in such grade at any one
14 time.
15 "(c) Positions that may be established under the pro-
16 viso of section 203 (b) (1) of the Act of August 2, 1946
17 (60 Stat. 836), may be in addition to those authorized by
18 the foregoing provisions of this section."
19 (d) Section 601 is amended to read as follows:
20 "SEC. 601. There is hereby established for positions to
21 which this Act applies a basic compensation schedule to be
22 known as the 'General Schedule', the symbol for which shall
23 be 'GS'."
24 (e) Section 602 is amended as follows:
25 (1) Strike out the "(a)" after "SEC. 602."

1 (2) Subsection (b) of said section is hereby repealed.
2 (f) Section 603 is amended as follows:
3 (1) Subsection (a) of said section is amended to read
4 as follows:
5 "(a) The rates of basic compensation with respect to
6 officers, employees, and positions to which this Act applies
7 shall be in accordance with the compensation schedule con-
8 tained in subsection (b)."
9 (2) Subsection (c) of said section is hereby repealed.
10 (3) Subsection (d) of said section is relettered and
11 amended to read as follows:
12 "(c) Whenever payment is made on the basis of a
13 daily, hourly, weekly, biweekly, or monthly rate, such rate
14 shall be computed from the appropriate annual rate specified
15 in subsection (b) by the method prescribed in section 604
16 (d) of the Federal Employees Pay Act of 1945, as
17 amended."
18 (g) Section 604 is amended to read as follows:
19 "SEC. 604. Employees receiving basic compensation at
20 a rate authorized by law, immediately prior to the effective
21 date of this title, in excess of the appropriate new rate of
22 the grade as determined under paragraphs (1) to (10),
23 inclusive, of section 604 (b) of this Act, as in effect prior to
24 the date of enactment of the Classification Act Amendments
25 of 1954, may continue to receive such rate so long as they

1 remain in the same position and grade, but when any such
2 position becomes vacant, the rate of basic compensation of
3 any subsequent appointee shall be fixed in accordance with
4 this Act."

5 (h) Section 703 is amended as follows:

6 (1) Subsection (a) is amended by striking out the
7 words "change of grade or rate of basic compensation except
8 such change as may be prescribed by any provision of law
9 of general application" and inserting in lieu thereof the
10 words "increase in grade or rate of basic compensation ex-
11 cept such increase as may be prescribed by any provision of
12 law of general application".

13 (2) Subsection (b) (1) is amended to read as follows:

14 "(b) (1) No officer or employee shall be entitled to
15 a longevity step increase while holding a position in any
16 grade above grade 15 of the General Schedule."

17 (3) Subsection (c) is amended by striking out "sec-
18 tion 604 (b) (11), section 1105 (b)" and inserting in lieu
19 thereof "section 604 or section 1105 (b) of this Act, or
20 section 103 (b) (4) of the Classification Act Amendments
21 of 1954".

22 (i) Section 704 of such Act is amended by adding at
23 the end thereof a new sentence as follows: "Service immedi-
24 ately preceding the date of enactment of the Classification
25 Act Amendments of 1954 shall be counted toward longevity

1 step increases under section 703 in the case of persons in
2 grades 11 to 15, inclusive, who on such date are receiving
3 compensation at the maximum scheduled rates for their
4 respective grades."

5 (j) Section 802 (b) is amended by striking out "section
6 604 (b) (11), section 1105 (b)" and inserting in lieu
7 thereof "section 604 or section 1105 (b) of this Act or
8 section 103 (b) (4) of the Classification Act Amendments
9 of 1954".

10 (k) Section 803 is amended to read as follows:

11 "SEC. 803. (a) Whenever the Commission shall find
12 (1) that a sufficient number of qualified eligibles for posi-
13 tions in a given class cannot be secured in one or more areas
14 or locations at the existing minimum rate for such class, and
15 (2) that there is a possibility that a sufficient number of
16 such eligibles can be secured by increasing the minimum rate
17 for such class in such areas or locations to one of the higher
18 rates within the grade in which such class is placed, the
19 Commission may establish such higher rate as the minimum
20 rate for that class in each area or location concerned.

21 "(b) Minimum rates established under subsection (a)
22 may be revised from time to time by the Commission. Such
23 actions or revisions shall have the force and effect of law.

24 "(c) Any increase in rate of basic compensation result-

1 ing from the establishment of new minimum rates under this
2 section shall not be regarded as an 'equivalent increase' in
3 compensation within the meaning of title VII."

4 SEC. 103. (a) Not later than the first day of the first
5 pay period which begins six months after the enactment of
6 this Act, all positions in the Crafts, Protective, and Custo-
7 dial Schedule of the Classification Act of 1949, as amended,
8 not excluded from such Act by section 202 (7) thereof,
9 as amended herein, shall be placed in corresponding grades
10 of the General Schedule as set forth below:

Grade of the Crafts, Protective, and Custodial Schedule	Corresponding new grade of the General Schedule
1	1
2	1
3	1
4	2
5	3
6	4
7	5
8	6
9	7
10	8

11 (b) The rates of basic compensation of officers and
12 employees to whom this section applies shall be initially
13 adjusted as follows:

14 (1) If the employee is receiving a rate of basic com-
15 pensation less than the minimum scheduled rate of the grade
16 in which his position is placed, his compensation shall be
17 increased to the minimum rate;

1 (2) If the employee is receiving a rate of basic compen-
2 sation within the range of salary, including longevity rates,
3 prescribed for the grade in which his position is placed, at
4 one of the rates fixed therein, no change shall be made in
5 his existing rate;

6 (3) If the employee is receiving a rate of basic compen-
7 sation within the range of salary, including longevity rates,
8 prescribed for the grade in which his position is placed,
9 but not at one of the rates fixed therein, his compensation
10 shall be increased to the next higher rate;

11 (4) If the employee is receiving a rate of basic compen-
12 sation in excess of the maximum rate, including lon-
13 gevity rates, for the grade in which his position is initially
14 placed, he shall continue to receive basic compensation with-
15 out change in rate until (a) he leaves such position, or (b)
16 he is entitled to receive basic compensation at a higher rate
17 by reason of the operation of other provisions of the Classifi-
18 cation Act of 1949, as amended; but when any such position
19 becomes vacant, the rate of basic compensation of any subse-
20 quent appointee shall be fixed in accordance with the
21 provisions of the Classification Act of 1949, as amended; and

22 (5) The conversion to grades of the general schedule of
23 positions covered by this section, and the initial adjustments
24 in compensation as prescribed herein, shall not be construed
25 to be transfers or promotions within the meaning of section

1 802 (b) of the Classification Act of 1949, as amended, and
2 the regulations issued thereunder.

3 SEC. 104. (a) With respect to any employee and posi-
4 tion, which, immediately prior to the date of enactment of
5 this Act, is subject to the Classification Act of 1949, as
6 amended, but to which section 102 (a) of this title applies,
7 this title shall take effect on the date or dates specified by the
8 head of the respective department, but not later than the
9 first day of the first pay period which begins after twelve
10 months following the date of enactment of this Act.

11 (b) With respect to employees and positions to which
12 sections 102 (a) and 103 of this title apply, the provisions
13 of the Classification Act of 1949, as amended, and any pro-
14 visions of law and regulations controlling pay adjustments
15 which were in effect on the date of enactment of this Act,
16 shall continue in effect for any such employee or position until
17 compensation shall have been fixed in accordance with the
18 provisions of this title.

19 SEC. 105. The Commission is hereby authorized to issue
20 such regulations as may be necessary for the administration
21 of this title.

22 SEC. 106. Nothing contained in this title shall be con-
23 strued to decrease the existing compensation of any present
24 employee, but when his position becomes vacant, any sub-

1 sequent appointee to such position shall be compensated in
2 accordance with the regular schedule applicable to such
3 position.

4 TITLE II—PREMIUM COMPENSATION

5 SEC. 201. This title may be cited as the "Premium
6 Compensation Act of 1954".

7 SEC. 202. The Federal Employees Pay Act of 1945, as
8 amended, is further amended as follows:

9 (a) Section 101 is amended as follows:

10 (1) Subsection (a) is amended by striking out "titles
11 II and III" and inserting in lieu thereof "titles II, III, and
12 IV".

13 (2) Subsection (b) is repealed.

14 COMPENSATION FOR OVERTIME WORK

15 (b) Section 201 is amended to read as follows:

16 "SEC. 201. All hours of work officially ordered or
17 approved in excess of forty hours in any administrative
18 workweek performed by officers or employees to whom
19 this title applies shall be considered to be overtime work
20 and compensation for such overtime work, except as other-
21 wise provided for in this Act, shall be at the following
22 rates:

23 "(a) For officers and employees whose basic com-
24 pensation is at a rate which does not exceed the maximum
25 scheduled rate of basic compensation provided for grade

1 GS–9 in the Classification Act of 1949, as amended, the
2 overtime hourly rate of compensation shall be an amount
3 equal to one and one-half times the hourly rate of such
4 officer's or employee's basic compensation, and all of such
5 amount shall be considered premium compensation.

6 "(b) For officers and employees whose basic com-
7 pensation is at a rate which exceeds the maximum scheduled
8 rate of basic compensation provided for grade GS–9 in the
9 Classification Act of 1949, as amended, the overtime hourly
10 rate of compensation shall be an amount equal to one and
11 one-half times the hourly rate of such maximum rate, and
12 all of such amount shall be considered premium compen-
13 sation."

14 (c) Section 202 (a) is amended to read as follows:

15 "SEC. 202. (a) The head of any department, inde-
16 pendent establishment, or agency, including Government-
17 owned or controlled corporations, or the municipal govern-
18 ment of the District of Columbia (1) may, at the request
19 of any officer or employee, grant such officer or employee
20 compensatory time off from his scheduled tour of duty in
21 lieu of payment for an equal amount of time spent in
22 irregular or occasional overtime work, and (2) may, at
23 his own discretion, provide that any officer or employee,
24 whose rate of basic compensation is in excess of the maximum
25 scheduled rate of basic compensation provided for grade

1 GS-9 in the Classification Act of 1949, as amended, shall
2 be compensated for irregular or occasional overtime work
3 for which compensation would be due under this Act with
4 not more than an equal amount of compensatory time off
5 from his scheduled tour of duty in lieu of such compensation."
6 (d) (1) Section 203 is redesignated as section 205,
7 and wherever such section number appears in such Act or
8 in any other provision of law it is amended to conform to the
9 redesignation prescribed by this subsection.
10 (2) After section 202, insert the following new sections:
11 "CALL-BACK OVERTIME
12 "SEC. 203. For the purposes of this Act, any unsched-
13 uled overtime work performed by any officer or employee
14 on a day when no work was scheduled for him, or for which
15 he is required to return to his place of employment, shall
16 be considered to be at least two hours in duration.
17 "TIME IN TRAVEL STATUS
18 "SEC. 204. For the purpose of this Act, time spent in a
19 travel status away from the official-duty station of any officer
20 or employee shall be considered as hours of employment only
21 when (a) within the days and hours of such officer's or em-
22 ployee's regularly scheduled administrative workweek, in-
23 cluding regularly scheduled overtime hours, or (b) when the
24 travel involves the performance of work while traveling or
25 is carried out under arduous conditions."

1 COMPENSATION FOR NIGHT AND HOLIDAY WORK

2 (e) Section 301 is amended to read as follows:

3 "SEC. 301. (a) Any regularly scheduled work between
4 the hours of six o'clock postmeridian and six o'clock ante-
5 meridian (including periods of absence with pay during
6 such hours due to holidays, and any such hours within
7 periods of leave with pay if such periods total less than
8 eight hours during any pay period) shall be considered night
9 work, except as provided in subsection (b), and any officer
10 or employee performing such work to whom this title applies
11 shall be compensated for it at his rate of basic compensation
12 plus premium compensation amounting to 10 per centum of
13 such rate, unless otherwise provided in this Act, and except
14 that this section shall not operate to modify the provisions
15 of the Act of July 1, 1944 (Public Law Numbered 394,
16 Seventy-eighth Congress), or any other law authorizing
17 additional compensation for night work.

18 "(b) The head of any department, independent estab-
19 lishment, or agency, including Government-owned or con-
20 trolled corporations, may designate any time after six
21 o'clock postmeridian and any time before six o'clock ante-
22 meridian as the beginning and end, respectively, of night
23 work for the purpose of subsection (a) at any post outside
24 the several States and the District of Columbia where cus-

1 tomary hours of business extend into the hours of night work
2 provided by such subsection."
3 (f) Section 302 of the Federal Employees Pay Act of
4 1945, as amended, is amended to read as follows:
5 "SEC. 302. (a) All work not exceeding eight hours,
6 which is not overtime work as defined in section 201 of
7 this Act and which is performed on a holiday designated
8 by Federal statute or Executive order, shall be compen-
9 sated at the rate of basic compensation of the officer or
10 employee performing such work on a holiday plus pre-
11 mium compensation at a rate equal to such officer's or em-
12 ployee's rate of basic compensation. Any officer or employee
13 who is required to perform any work on such a holiday shall
14 be compensated for at least two hours of such work, and any
15 such premium compensation due under the provisions of
16 this section shall be in addition to any premium compensa-
17 tion which may be due for the same work under the
18 provisions of section 301 of this Act providing premium
19 compensation for nightwork.
20 "(b) Overtime work, as defined in section 201 of this
21 Act, on Sundays and such holidays shall be compensated in
22 accordance with the provisions of such section 201."
23 SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK
24 (g) After title III insert a new title as follows:

1 "TITLE IV—SPECIAL PROVISIONS FOR CERTAIN
2 TYPES OF WORK

3 "SEC. 401. (a) Any officer or employee of any depart-
4 ment, independent establishment, or agency (including Gov-
5 ernment-owned corporations), or the municipal Government
6 of the District of Columbia, in a position requiring him to
7 regularly remain at, or within the confines of, his station
8 during longer than ordinary periods of duty, a substantial
9 part of which consists of remaining in a standby status rather
10 than performing work, shall receive premium compensation
11 for such duty on an annual basis in lieu of premium com-
12 pensation provided by any other provisions of this Act.
13 Premium compensation under this subsection shall be deter-
14 mined by the head of the department, establishment, or
15 agency, with the approval of the Civil Service Commission,
16 as an appropriate percentage (not in excess of 25 per
17 centum) of such part of the basic compensation for any such
18 position as does not exceed the maximum scheduled rate of
19 basic compensation provided for grade GS–9 in the Classifi-
20 cation Act of 1949, as amended, by taking into consideration
21 the number of hours of actual work required in such positions,
22 the number of hours required in a standby status at or within
23 the confines of the station, the extent to which the duties
24 of such position are made more onerous by night or holiday

1 work, or by being extended over periods of more than forty
2 hours a week, and any other relative factors.
3 "(b) Any such officer or employee in a position in which
4 the hours of duty cannot be controlled administratively, and
5 which requires substantial amounts of irregular, unscheduled,
6 overtime duty, and duty at night and on holidays with the
7 officer or employee generally being responsible for recogniz-
8 ing, without supervision, circumstances which require him
9 to remain on duty, shall receive premium compensation for
10 such duty on an annual basis in lieu of premium compensa-
11 tion provided by any other provisions of this Act, except for
12 regularly scheduled overtime duty. Premium compensation
13 under this subsection shall be determined by the head of the
14 department, establishment, or agency, with the approval of
15 the Civil Service Commission, as an appropriate percentage
16 (not in excess of 15 per centum) of such part of the rate of
17 basic compensation for any such position as does not exceed
18 the maximum scheduled rate of basic compensation provided
19 for grade GS–9 in the Classification Act of 1949, as amended,
20 by taking into consideration the frequency and duration of
21 night, holiday, and unscheduled overtime duty required in
22 such position."
23 LIMITATION ON PREMIUM COMPENSATION
24 (h) Section 603 and the heading immediately pre-
25 ceding such section are amended to read as follows:

1 "LIMITATION ON PREMIUM COMPENSATION

2 "SEC. 603. No premium compensation provided by this
3 Act shall be paid to any officer or employee whose rate of
4 basic compensation exceeds the maximum scheduled rate of
5 basic compensation provided for grade GS–15 in the Classi-
6 fication Act of 1949, as amended, or when any such premium
7 compensation would cause such officer's or employee's rate
8 of compensation, including basic compensation and premium
9 compensation provided by this Act, to exceed such maximum
10 rate with respect to any pay period."

11 WORK SCHEDULES

12 (i) (1) The heading immediately preceding section
13 604 is amended to read as follows:

14 "ESTABLISHMENT OF BASIC WORKWEEK; WORK SCHED-
15 ULES; PAY COMPUTATION METHODS"

16 (2) Section 604 (a) is amended by inserting "(1)"
17 after "(a)" and by adding at the end thereof a new para-
18 graph as follows:

19 "(2) The head of each such department, establish-
20 ment, and agency and the municipal government of the
21 District of Columbia shall provide with respect to all officers
22 and employees in his respective organization, except where
23 he determines that such organization would be seriously
24 handicapped in carrying out its functions or that costs would
25 be substantially increased, that (A) assignments to tours

1 of duty shall be scheduled in advance over periods of not
2 less than one week, (B) the basic workweek shall be forty
3 hours, (C) such forty hours shall be scheduled on five days,
4 which shall be Monday through Friday wherever possible,
5 and the two days outside the basic workweek shall be con-
6 secutive, (D) the working hours in each day in the basic
7 workweek shall be the same, (E) the basic nonovertime
8 workday shall not exceed eight hours, (F) the occurrence
9 of holidays shall not affect the designation of the basic work-
10 week, and (G) breaks in working hours of more than one
11 hour shall not be scheduled in any basic workday."

12 (j) This title shall become effective at the beginning of
13 the first pay period beginning after July 1, 1954.

14 TITLE III—GOVERNMENT EMPLOYEES'
15 INCENTIVE AWARDS

16 SEC. 301. This title may be cited as the "Government
17 Employees' Incentive Awards Act".

18 SEC. 302. The departmental awards program set forth
19 in this title shall be carried out under such regulations and
20 instructions as may be issued by the United States Civil
21 Service Commission which shall annually report the results
22 of the program, with related recommendations, to the Presi-
23 dent for transmittal to the Congress.

24 SEC. 303. As used in this title, the term "department"
25 means an executive department or independent agency in the

1 executive branch of the Government, including a Govern-
2 ment-owned or controlled corporation (but not including
3 the Tennessee Valley Authority), and also includes (a)
4 the Administrative Office of the United States Courts, (b)
5 the Library of Congress, (c) the Botanic Garden, (d) the
6 Government Printing Office, (e) the Office of the Architect
7 of the Capitol, and (f) the municipal government of the
8 District of Columbia.

9 SEC. 304. (a) The head of each department is authorized
10 to pay cash awards to, and to incur necessary expenses for
11 the honorary recognition of, civilian officers and employees
12 of the Government who by their suggestions, inventions,
13 superior accomplishments, or other personal efforts contribute
14 to the efficiency, economy, or other improvement of Govern-
15 ment operations or who perform special acts or services in
16 the public interest in connection with or related to their
17 official employment.

18 (b) In instances determined by the President to war-
19 rant such action, he is authorized to pay cash awards to, and
20 to incur necessary expenses for the honorary recognition of,
21 civilian officers and employees of the Government who by
22 their suggestions, inventions, superior accomplishments, or
23 other personal efforts contribute to the efficiency, economy,
24 or other improvement of Government operations, or who
25 perform exceptionally meritorious special acts or services in

1 the public interest in connection with or related to their
2 official employment, and any such Presidential awards may
3 be in addition to the departmental awards authorized in
4 subsection (a) of this section.

5 (c) Awards under this section may be paid notwith-
6 standing the death or separation from the service of the offi-
7 cer or employee concerned: *Provided,* That the suggestions,
8 inventions, superior accomplishments, other personal efforts,
9 or special acts or services in the public interest forming the
10 basis for the awards are made or rendered while the officer
11 or employee is in the employ of the Government.

12 (d) A cash award under this section shall be in addition
13 to the regular compensation of the recipient and the accept-
14 ance of such cash award shall constitute an agreement that
15 the use by the United States of any idea, method or device
16 for which the award is made shall not form the basis of a
17 further claim of any nature upon the United States by the
18 employee, his heirs, or assigns.

19 (e) Awards to employees and expenses for the honorary
20 recognition of employees may be paid from the funds or
21 appropriations available to the activity primarily benefiting
22 or may be paid from the several funds or appropriations of
23 the various activities benefiting as may be determined by
24 the President for awards under subsection (b) of this sec-

1 tion, and by the head of the department concerned for
2 awards under subsection (a) of this section.
3 (f) An award under this title shall be given due weight
4 in qualifying and selecting employees for promotion to posi-
5 tions in higher grades.
6 SEC. 305. The following laws and parts of laws are
7 hereby repealed:
8 (a) Sections 702, 1002, and 1003 of the Classification
9 Act of 1949 (63 Stat. 954; 5 U. S. C. 1122, 1152, 1153).
10 (b) Section 14 of the Act entitled "An Act to author-
11 ize certain administrative expenses in the Government
12 service, and for other purposes", approved August 2, 1946
13 (60 Stat. 809; 5 U. S. C. 116a).
14 (c) The Act entitled "An Act authorizing payments of
15 rewards to postal employees for inventions", approved
16 December 3, 1945 (59 Stat. 591; 39 U. S. C. 813).
17 (d) The Act entitled "An Act authorizing the Secre-
18 tary of War to pay a cash award for suggestions submitted
19 by employees of certain establishments of the Ordnance
20 Department for improvement or economy in manufacturing
21 process or plant", approved July 17, 1912 (37 Stat. 193;
22 50 U. S. C. 58).
23 (e) The Act entitled "An Act to provide equitable
24 compensation for useful suggestions or inventions by per-

1 sonnel of the Department of the Interior", approved June
2 26, 1944 (58 Stat. 360; 5 U. S. C. 500).
3 (f) Subsections (a) and (b) of section 35 of the Act
4 entitled "An Act to enact certain provisions now included
5 in the Naval Appropriation Act, 1946, and for other pur-
6 poses", approved August 2, 1946 (60 Stat. 857; 5 U. S. C.
7 416).
8 (g) The joint resolution of March 13, 1944 (ch. 91,
9 58 Stat. 115) (46 U. S. C. 1111b).
10 (h) The second proviso in section 5 (i) of the Act of
11 May 18, 1933 (16 U. S. C. 831).
12 (i) All other laws or parts of laws inconsistent with this
13 Act are hereby repealed to the extent of such inconsistency.
14 SEC. 306. This title shall take effect on the ninetieth day
15 after the date of its enactment.

16 TITLE IV—UNIFORM ALLOWANCES

17 SEC. 401. This title may be cited as the "Federal Em-
18 ployees Uniform Allowance Act".
19 SEC. 402. There is hereby authorized to be appropriated
20 annually to each agency of the Government of the United
21 States or of the District of Columbia (including Government-
22 owned corporations), upon a showing of the necessity or
23 desirability thereof, an amount not to exceed $100 multiplied
24 by the number of the employees of such agency who are re-

1 quired by regulation now existing or by law to wear a pre-
2 scribed uniform in the performance of his or her official duties
3 and who are not being furnished with such uniform. The head
4 of any agency to which any such appropriation is made shall
5 pay, out of such appropriation, to each such employee an
6 allowance for defraying the expenses of acquisition and
7 upkeep of such uniform at such times and in such amounts,
8 not to exceed $100 per annum, as may be prescribed by the
9 head of such agency in accordance with rules and regulations
10 promulgated pursuant to section 404. Where the payment
11 of a uniform allowance is authorized under any other provi-
12 sion of law or regulation existing on the date of enactment
13 of this Act, the head of the agency may in his discretion
14 continue the payment of such allowance under such provision
15 of law or regulation, but where a uniform allowance is paid
16 under any such law or regulation no allowance shall be paid
17 under this section.

18 SEC. 403. Allowances paid under this title shall not be
19 considered as pay, salary, or compensation within the mean-
20 ing of the Civil Service Retirement Act of May 29, 1930,
21 as amended, or as wages within the meaning of section 209
22 of the Social Security Act, as amended, or subchapter A
23 or D of chapter 9 of the Internal Revenue Code, as amended.

24 SEC. 404. The Director of the Bureau of the Budget is

1 authorized and directed to promulgate such rules and regu-
2 lations as may be necessary to provide for the uniform
3 administration of this title.

4 TITLE V—MISCELLANEOUS PROVISIONS

5 SEC. 501. Section 1310 of the Supplemental Appro-
6 priation Act, 1952 (Public Law 253, Eighty-second
7 Congress), as amended, is hereby repealed.

8 SEC. 502. Section 6 of the Act entitled "An Act to
9 provide for the exemption from the Annual and Sick Leave
10 Act of 1951 of certain officers in the executive branch of
11 the Government, and for other purposes", approved July
12 2, 1953, is hereby repealed.

Passed the Senate April 28 (legislative day, April 14), 1954.

Attest: J. MARK TRICE,
Secretary.

83D CONGRESS
2D SESSION

S. 2665

AN ACT

To amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

APRIL 29, 1954

Referred to the Committee on Post Office and Civil Service

be transferred to and vested in such foundation: Therefore be it

Resolved, etc., That the Administrator of General Services is authorized and directed to convey to the Texas Hill Country Development Foundation, Inc., of Kerrville, Tex., all the right, title, and interest of the United States in and to certain land constituting a portion of the tract of land on which is located the Veterans' Administration hospital in Kerr County, Tex. The land to be conveyed under authority of this act (which has been declared to be surplus to the requirements of the United States) is that land the Veterans' Administration reported to the General Services Administration as excess under date of November 2, 1951 (Holding Agency No. VA-134) purportedly comprising 90 acres, more or less, located in Kerr County: *Provided*, That the purchase price shall be the sum of $16,500: *Provided further*, That the proceeds of the sale shall be deposited in the Treasury as miscellaneous receipts. The Administrator of General Services shall describe in the deed of conveyance the exact portion of such hospital site transferred by metes and bounds from a land survey to be furnished by the Texas Hill Country Development Foundation, Inc., and satisfactory to the General Services Administration.

Such deed of conveyance (a) shall provide that such real property shall be used and maintained by the Texas Hill Country Development Foundation for the purposes heretofore set forth for a period of not less than 25 years, and, in the event such property ceases to be used or maintained for such purposes during such period, all or any portion of such property shall in its then existing condition, at the option of the United States, revert to the United States, provided said restriction shall not extend beyond said period; and (b) may contain such additional terms, reservations, restrictions, and conditions as may be determined by the Administrator to be necessary to safeguard the interests of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAIL-MESSENGER SERVICE

The Clerk called the bill (H. R. 2263) to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act authorizing the employment of mail messengers in the postal service," approved March 3, 1887 (39 U. S. C., sec. 578), is amended by adding at the end thereof the following new paragraph:

"The Postmaster General may, in his discretion and under such regulations as he may prescribe, readjust the compensation of the holder of any contract for the performance of mail-messenger service on account of increased or decreased costs occasioned by changed conditions which could not reasonably have been anticipated at the time such contract was made."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSPORTATION AND DISTRIBUTION OF MAILS ON MOTOR-VEHICLE ROUTES

The Clerk called the bill (S. 2773) to amend the act entitled "An act to provide for the transportation and distribution of mails on motor-vehicle routes," approved July 11, 1940 (54 Stat. 756).

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

HANDLING OF POSTAGE ON NEWSPAPERS AND PERIODICALS

The Clerk called the bill (H. R. 5913) to simplify the handling of postage on newspapers and periodicals.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provision of section 25 (20 Stat. 361, as amended; 39 U. S. C. 286), requiring the manual affixing of postage stamps to certain types of publications with second-class entry be amended by striking the following words: "by stamps affixed."

The effective date of this amendment shall be October 1, 1953.

With the following committee amendment:

Page 1, line 8, strike out: "The effective date of this amendment shall be October 1, 1953." and insert:

"SEC. 2. This act shall take effect thirty days after enactment."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CENSUSES OF MANUFACTURES AND OTHER BUSINESSES

The Clerk called the bill (H. R. 8487) to amend the act of June 19, 1948, to provide for censuses of manufactures, mineral industries, and other businesses, relating to the year 1954.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 (a) of the act of June 19, 1948 (62 Stat. 478), is amended by the addition of the following proviso: "*Provided further*, That the censuses of manufactures, of mineral industries, and of other businesses, including the distributive trades and service establishments, directed to be taken in the year 1954 relating to the year 1953, shall be taken instead in the year 1955 relating to year 1954."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SISKIYOU JOINT UNION HIGH SCHOOL DISTRICT, SISKIYOU COUNTY, CALIF.

The Clerk called the bill (H. R. 6975) authorizing the Secretary of the Interior to convey certain lands to the Siskiyou Joint Union High School District, Siskiyou County, Calif.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to convey by quitclaim deed to the Siskiyou Joint Union High School District, California, all right, title, and interest of the United States in and to the following described land in Siskiyou County, Calif., containing an area of twenty-seven and fifty-eight one-hundredths acres, more or less:

(a) All that northerly portion of lot 4 of section 1, township 47 north, range 4 east, Mount Diablo meridian, beginning at the section corner common to sections 1 and 2, township and range aforesaid; thence north eighty-nine degrees fifty-six minutes east along the northerly boundary of township aforesaid a distance of one thousand three hundred twenty and sixty-six one-hundredths feet to the corner common to lots 3 and 4, township and range aforesaid; thence south no degrees one minute east a distance of five hundred and eighty feet to a point on the easterly boundary of aforesaid lot 4; thence south eighty-nine degrees fifty-six minutes west a distance of one thousand three hundred twenty and sixty-six one-hundredths feet to a point on the westerly boundary of section 1, township and range aforesaid; thence north no degrees one minute west a distance of five hundred and eighty feet to the point of beginning; containing seventeen and fifty-eight one-hundredths acres, more or less.

(b) All of the south half of the south half of the southwest quarter of the southeast quarter of section 35, township 48 north, range 4 east, Mount Diablo meridian; containing ten acres, more or less, subject to existing rights-of-way for highways, roads, railroads, canals, laterals, ditches, pipelines, electrical transmission lines, and telephone and telegraph lines, containing two and twenty-two one-hundredths acres.

SEC. 2. The land conveyed pursuant to the provisions of this act shall be used only for public school purposes, and the conveyance herein authorized shall be made upon the express condition that if the land is abandoned for such use for a period of 2 years or more or if the land shall be used for other purposes, the conveyance shall be held to be forfeited and the title shall revert to the United States. The Secretary of the Interior is hereby authorized to determine the facts and declare such forfeiture and reversion and such determination and declaration shall be final and conclusive.

With the following committee amendment:

Page 2, line 22, following the word "less", change the comma to a period and start a new paragraph and insert preceding the word "subject" the words "The conveyance hereinbefore authorized shall be."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That completes the call of the Consent Calendar.

SHOSHONE CAVERN NATIONAL MONUMENT

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6251) to authorize the abolishment of the Shoshone Cavern National Monument and the transfer of the land therein to the city of Cody, Wyo., for public recreational use, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 18, after "act", insert "and."

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

AMENDMENT OF RECREATION ACT OF JUNE 14, 1926

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1815) to amend the Recreation Act of June 14, 1926, to include other public purposes and to permit nonprofit organizations to lease public lands for certain purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. D'EWART, SAYLOR, HARRISON of Wyoming, REGAN, and ASPINALL.

CORRECTION OF RECORD

Mr. KEATING. Mr. Speaker, I ask unanimous consent to correct the permanent RECORD on page 5474 in the third column, line 26, which is the fifth line of my remarks in debate to change the word "Indonesia" to "Indochina."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

WHERE IS THAT NEW BOLD FOREIGN POLICY?

(Mr. LANHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANHAM. Mr. Speaker, where, oh where, Mr. Speaker, is our so-called bold new foreign policy? Only a few weeks ago the present administration was boasting of its bold new foreign policy and was talking of instant and massive retaliation against aggressors. For lack of a bold policy Dien Bien Phu is going and with it probably all of Indochina. If any portion of that unhappy land is saved from the free world, it will require more vigorous and positive action than has been forthcoming from the administration. Like an ostrich with its head in the sand the present administration has shut its eyes to the real situation in Indochina and members of the Foreign Affairs Commitee have been lulled with soothing predictions of the early triumph of the Navarre plan in Indochina. It took a severe twist of the tail of the ostrich with its head buried in the sand to get the head raised long enough to really look at the world as it is. Whereupon the administration began dashing around in all directions at once. The confusion caused by lifting its head from the sand has made the administration with its foreign policy appear anything but bold and aggressive. We were told by the Vice President that troops would be sent to Indochina under certain conditions, only to have this statement refuted by the President and Mr. Dulles. Of course, we had been previously told that Indochina and with it southeast Asia were so important that the United States could not permit them to fall to the Communists and we were promised whatever action was necessary to prevent such a fate. It is apparent now that if the administration believed that Indochina was so important, it has meekly resigned itself to the loss of these associated states and proposed abject surrender to the inevitable at Geneva, by the President's statement that some "practical" solution must be found at the conference table. Meaning either the division of Indochina or a coalition government, either of which will mean ultimate triumph of communism in that portion of the world which has been declared to be of such vital importance to the free world. The last 10 days has certainly brought disillusionment and disgust to those of us who expected bold and timely action to save Indochina. Has the free world swapped an umbrella for a golf club?

In one breath the French were assured that necessary aid would be forthcoming in their struggle in Indochina, only to be denied that aid when its need was so urgently stressed by a representative of the French Government who came to America and twisted the ostrich's tail so violently that its head had to be jerked from the sand for awhile for a frenzied facing of the realities of life in Indochina. Is there any wonder that France has now resigned itself to some sort of compromise agreement in Indochina that will prove to all of Asia that the Communists are the winners in that titanic struggle? It was said a few weeks and months ago that the present administration had seized the initiative throughout the world in the struggle against communism, but where is that initiative now? Gone with the winds of expediency and politics.

And all the while there goes on in another body the sorriest spectacle of our generation when one member of that party and the top leaders in our armed services are pitted one against the other, each trying to prove the other unworthy of belief and unworthy of the confidence of the American people. They are proving that the Republican Party is impotent to govern.

The old saying that Nero fiddled while Rome burned could well be applied to our Department of State, our executive department, and the armed services engaged in what the Vice President himself calls a ridiculous spectacle, while Indochina and all of southeast Asia is being lost to the free world. Because it is believed that a certain Member of the other body would be a vast help to the Republican Party in the fall elections, not only have many Republican Members of the other body feared and quailed at the threat which this one man poses to that body, but the Executive himself has refused to take up the fight and, in plain language, rebuke this man who seeks to bestride us like a colossus. The rules of this body prevent my using the name of the Member of the other body who has exercised such diabolical cleverness in getting under his control the members of his own party. But there are no rules that prevent the President of the United States from speaking out boldly against the usurpation of power and authority which this Member of the other body has seized from the Chief Executive.

The present investigation has not been flattering to the Secretary of the Army, for it seems that he, too, has been fearful of the other principal in this disgraceful spectacle, and has sought to appease him. As Walter Lippmann asks, "Does one have to be 'yellow' to keep from being called a Red?"

In view of the disclosures brought about by the investigation now being carried on as a three-ring circus in the other body and the action of those in authority in connection with the Geneva Conference and the tragic situation in Indochina, this administration may well be called the administration of appeasement—appeasement in the other body and appeasement of our mortal enemy in Indochina. We are doomed unless our leadership rises to its responsibilities, calls a halt to the disgraceful and disgusting spectacle in the other body, and stiffens its backbone to meet the threat to the free world with something other than vacillation, timidity, and appeasement.

The President and the administration shied away from taking the bold steps which if taken in time might have saved Dien Bien Phu. Now it will fall, and already the Government's policy seems to be to try to save by appeasement only the remnants of that unhappy country.

A BATTLE FOR MEN'S MINDS

After all, the struggle in Indochina is not alone a military one. It is at the same time a struggle between colonialism and freedom. Reluctantly France has at last agreed to freedom for the associated states of Indochina. But it may be that this agreement comes too late. The Communists have been crafty and very effective in picturing the struggle there between the Viet Minh forces and the French Vietnamese as a struggle for the freedom of the associated states of Indochina from French colonialism. The free world which includes France and the United States has not used successfully the powerful appeal of guaranteed freedom for Indochina. We have been hesitant and inarticulate, and therefore it has been easy for the Communists to convince the natives of Indochina that we were on the side of French colonialism. The freedom promised by the Communists is only a snare and a delusion, but it has its appeal to people who have a vision of freedom and who are animated by the nationalist spirit that is sweeping all of Asia. Besides, the peoples of the Orient are suspicious of the white man and do not trust the promises of the French. It is to be regretted that the free world has not learned to capitalize upon this nationalist spirit and this longing for freedom as the Communists

83D CONGRESS
2D SESSION

H. R. 2263

IN THE SENATE OF THE UNITED STATES

MAY 4 (legislative day, APRIL 14), 1954

Read twice and referred to the Committee on Post Office and Civil Service

AN ACT

To authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Act entitled "An Act authorizing the employment
4 of mail messengers in the postal service", approved March
5 3, 1887 (39 U. S. C., sec. 578), is amended by adding at
6 the end thereof the following new paragraph:
7 "The Postmaster General may, in his discretion and
8 under such regulations as he may prescribe, readjust the
9 compensation of the holder of any contract for the perform-
10 ance of mail-messenger service on account of increased or

1 decreased costs occasioned by changed conditions which
2 could not reasonably have been anticipated at the time such
3 contract was made."

Passed the House of Representatives May 3, 1954.

Attest: LYLE O. SNADER,
Clerk.

83D CONGRESS
2D SESSION

H. R. 2263

AN ACT

To authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service.

MAY 4 (legislative day, APRIL 14), 1954

Read twice and referred to the Committee on Post Office and Civil Service

to permit Federal release of reversionary rights of certain property for school purposes in Kern County, Calif.

Also considered, but took no action on, S. 2548, re national grazing lands; S. 2313, re wool regulations under Commodity Exchange Act; H. R. 6878, re purchase of fungible goods from CCC; and H. R. 8879, re Farm Credit Administration loans.

CCC BORROWING POWER

Committee on Banking and Currency: Ordered reported to the House H. R. 9756, to increase borrowing power of the Commodity Credit Corporation from $8.5 billion to $10 billion.

CREDIT UNIONS

Committee on the District of Columbia: The Talle subcommittee approved for reporting to the full committee S. 3683, transferring the supervision of D. C. credit unions from the Comptroller of the Currency (Treasury) to the Director of the Bureau of Federal Credit Unions, Department of Health, Education, and Welfare. The bill also fixes license fees to the District for such credit unions, of $5 a year.

Speaking in support of the proposed transfer were W. M. Taylor, Deputy Comptroller of the Currency; J. Deane Gannon, Director of Bureau of Federal Credit Unions (HEW); and Herbert N. Rhodes, representing the Credit Union National Association.

GOVERNMENT IN BUSINESS

Committee on Government Operations: Held further hearings on H. R. 8832, and related bills, to terminate or limit Government activities which are conducted in competition with private enterprise, and to establish an Anti-Government-Competition Board. Representatives of business and industrial groups testified for the third day in connection with the proposed legislation. Departmental witnesses are scheduled to resume at Monday's session on the subject.

INDIANS

Committee on Interior and Insular Affairs: The Berry subcommittee ordered the following Indian bills reported to the full committee—

H. R. 2233, amended, to provide for Federal acquisition of lands required for the reservoir created by the construction of Oahe Dam on the Missouri River and for rehabilitation of the Indians of the Cheyenne River Sioux Reservation, S. Dak.;

H. R. 7290, to authorize an appropriation for the construction of certain public-school facilities on the Klamath Indian Reservation at Chiloquin, Oreg.;

H. R. 8365, declares valid all patents-in-fee heretofore issued to the Mission Indians in the State of California notwithstanding issuance prior to the expiration of the trust period existing with respect to a trust patent;

S. 2744, to provide for the termination of Federal supervision over the property of the Alabama and Coushatta Tribes of Indians of Texas;

S. 2745, amended, to provide for termination of Federal supervision over property of Klamath Tribe of Indians of Oregon;

S. 2746, amended, to provide for termination of Federal supervision over property of certain tribes of Indians located in western Oregon; and

S. 3532, amended, distribution of assets of Ute Tribe of Uintah and Ouray Reservation in Utah.

U. S. CARGO VESSELS—OFFICERS' BENEFITS

Committee on Merchant Marine and Fisheries: In executive session ordered reported to the House S. 3233, to provide permanent legislation for the transportation of a substantial portion of waterborne cargoes in U. S.-flag vessels. The bill was amended so as to exempt cargoes on ships of the Panama Canal Company.

Also ordered reported S. 2389, granting commissioned officers of Coast and Geodetic Survey certain military benefits and rights during time of war. Tabled H. R. 6316, a companion bill.

FEDERAL EMPLOYEES

Committee on Post Office and Civil Service: Ordered reported favorably to the House S. 2665, the Federal employees' pay and classification bill for 1954 (the so-called fringe benefits bill). A committee amendment strikes out the Senate text and inserts language approved by the committee during consideration of Chairman Rees' bill, H. R. 8093. The committee amendment provides—

A 5-percent increase on the minimum rate of each grade, through grade GS–17, of all employees paid under the Classification Act of 1949, with a minimum increase to each employee of $180 a year. The bill also provides an increase of 5 percent for legislative employees with no minimum provision.

Makes certain additional changes in premium compensation, leave, longevity, uniform allowance, and other employee benefits.

The number of supergrade positions provided by the Classification Act (now 400) is increased to 550, apportioned as follows: GS–18, 31; GS–17, 123; and GS–16, 396.

Longevity-step increases presently provided for employees through grade GS–10 are provided under the bill for employees through grade GS–15. These longevity steps are in the same amount as the present within-grade promotion steps, except that for GS–15, which has within-grade promotion steps of $250 each, the longevity increase will be $200. No employees in grades GS–11 through GS–15, under the provisions of the bill, may count past service for more than one longevity step increase.

The Civil Service Commission is authorized to recruit qualified employees above the minimum rate of the grade for the position to which appointment is made in cases where a sufficient number of qualified eligibles cannot be secured at the regular entrance rate.

Provides for abolishing the Crafts, Protective, and Custodial (CPC) schedule. The 115,000 employees paid under this schedule will be divided into 2 groups. The first group consists of approximately 65,000, who will have their pay set by local

wage boards. The second group comprises approximately 50,000, who will be paid under Classification Act schedules. This will be worked out over a period of time by the Civil Service Commission under procedures provided for in the bill.

Provides a system of premium compensation for classified employees. This includes overtime compensation at 1½ times the regular rate of basic compensation not in excess of the top salary grade for GS–9 ($5,810) or the regular straight-time rate, whichever is greater; night differential at the rate of 10 percent of the regular rate of basic compensation; holiday pay (not overtime) at a rate equal to the regular pay in addition to such regular pay; and standby time at appropriate rates determined by department heads with the approval of the Civil Service Commission (except for fire fighters) not in excess of 25 percent of the regular rate of basic compensation for GS–9. Fire fighters will receive the premium compensation benefits, but are not restricted by the 25 percent minimum. No premium pay may apply to raise the compensation of an individual to more than $12,800.

The bill also contains a section on an incentive-awards program similar to the one contained in the Senate bill and to H. R. 7774.

It includes a provision whereby employees who are passed over on civil-service employment registers solely because of their sex, may appeal to the Civil Service Commission.

The present requirement that accumulated annual leave be liquidated down to 30 days is lifted and classified and postal employees may, under the bill, accumulate up to 60 days (90 days for those outside the U. S.) but may not be paid upon termination for more than 30 days plus current accrued leave. The language of this section is identical to H. R. 7202 (see attached).

Employees required to wear uniforms will be paid a uniform allowance to cover the cost of such uniforms up to $100 annually.

The committee amendment does not include any provision for repeal or modification of the present law which relates to appointments, promotions, and reinstatements on a temporary basis. Originally H. R. 8093 did contain a repeal provision. Since the Senate bill (S. 2665) contains a provision for completely repealing it, the whole matter may be considered in the conference on the bill.

STAR ROUTES—DUAL COMPENSATION—PERFORMANCE RATINGS—POSTAL TRANSPORTATION

Committee on Post Office and Civil Service: Approved the following bills for reporting to the House—

S. 1244, relating to the renewal of contracts for the carrying of mail on star routes; and

H. R. 5718, to limit the period for collection by the United States of compensation received by officers and employees in violation of the dual compensation laws.

Also approved the following reports submitted by subcommittees on studies made in this Congress—(1) Performance rating plans in the Federal Government, by the Subcommittee on Civil Service, Representative Hagen, chairman; and (2) Survey and study of postal transportation, by the Subcommittee on Postal Operations, Representative St. George, chairman.

Joint Committee Meetings

HOUSING

Conferees, in executive session, agreed to file a conference report on the differences between the Senate- and House-passed versions of H. R. 7839, to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities. Included in agreements reached by the conferees today are the following:

(1) Public housing—agreed to a 1-year extension of public housing—35,000 units—limited to those localities which have an acceptable slum clearance or urban renewal program, and limited to those persons dispossessed or displaced by either local, State, or Federal housing;

(2) FNMA—Senate conferees accepted the House provisions on FNMA with minor amendments;

(3) Section 814 of bill, certification by lender of soundness of loan—deleted from bill;

(4) Section 815, cost certification—deleted from bill;

(5) House conferees accepted Senate amendments to the following sections of the bill, with amendments: (*a*) Section 816, records required to be kept by local public housing administrations, (*b*) Section 817, requirement of submission of specifications by local public housing administrations, and (*c*) Section 818, authorizing Comptroller General to audit books of local public housing administrations;

(6) Section 819 of bill, requiring authorization by HHFA for advertisement of Government participation in housing projects—deleted from bill (provision in other section of the bill); and

(7) Section 820, report to Congress of information on housing by HHFA and constituent agencies—adopted by conferees with amendment.

TAX REVISION

Conferees continued in executive session to resolve the differences between the Senate- and House-passed versions of H. R. 8300, general tax revision, reaching agreement that House recede from its disagreement on Senate amendment to section 613, relating to percentage depletion. Conferees recessed subject to call of the Chair.

SOIL CONSERVATION

Conferees, in executive session, agreed to file a conference report on the differences between the Senate- and House-passed versions of H. R. 6788, to authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of works of improvement for soil conservation. As agreed, the conferees substantially accepted the Senate version of the bill with the following major changes:

(1) Struck out provision that dams providing a total capacity of 2,000 to 5,000 acre-feet must be approved by Congress, and substituted therefor a provision barring appropriations for plans including structures having total capacity of between 2,500 and 5,000 acre-feet, unless approved by the Senate and House Committees on Agriculture;

83d Congress, 2d Session } HOUSE OF REPRESENTATIVES { Report No. 2454

PAY INCREASES AND OTHER BENEFITS FOR GOVERNMENT OFFICERS AND EMPLOYEES

July 22, 1954.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Rees of Kansas, from the Committee on Post Office and Civil Service, submitted the following

REPORT

[To accompany S. 2665]

The Committee on Post Office and Civil Service, to whom was referred the bill (S. 2665) to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945; as amended, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment strikes out all after the enacting clause and inserts a new text which appears in italic type in the bill, as reported.

Summary of Major Provisions of the Reported Bill

The bill as reported provides the following:

(1) A 5-percent increase in the minimum rate of each grade, through grade GS–17, of all employees paid under the Classification Act of 1949, with a minimum increase to each employee of $180 a year. The bill also provides an increase of 5 percent for legislative employees with no minimum provision.

(2) An increase in the number of supergrade positions provided by the Classification Act of 1949, as amended, from 400 to 550, apportioned as follows: GS–18, 31; GS–17, 123; and GS–16, 396.

(3) Longevity step increases (presently provided for employees through grade GS–10) for employees through grade GS–15. These longevity steps are in the same amount as the present within-grade promotion steps, except that for GS–15, which has within-grade promotion steps of $250 each, each longevity step increase will be $200. In effect, no employees in grades GS–11 through GS–15 may count past service for more than one longevity step increase under the bill.

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(4) Authority for the Civil Service Commission to recruit qualified employees above the minimum rate of the grade for the position to which appointment is made in cases where a sufficient number of qualified eligibles cannot be secured at the regular entrance rate.

(5) Abolishment of the crafts, protective, and custodial schedule. The 116,000 employees paid under this schedule will be divided into two groups. The first group of approximately 69,000 will have their pay set by local wage boards. The second group of approximately 47,000 will be paid under the general schedule of the Classification Act of 1949. This will be worked out over a period of time by the Civil Service Commission under procedures provided for in the bill.

(6) A system of premium compensation for classified employees, including overtime compensation at 1½ times the regular rate of basic compensation not in excess of the top salary grade for GS–9 or the regular straight-time rate, whichever is greater; night differential at the rate of 10 percent of the regular rate of basic compensation; holiday pay (not overtime) at a rate equal to the regular pay in addition to such regular pay; standby time at appropriate rates determined by department heads with the approval of the Civil Service Commission (except for fire fighters) not in excess of 25 percent of the regular rate of basic compensation for GS–9; and extra pay at rates up to 15 percent of base pay for employees (such as criminal investigators and certain others) whose hours of duty cannot be controlled administratively and who must perform substantial quantities of irregular, overtime, or night duty. Fire fighters will receive the premium compensation benefits, but are not restricted by the 25-percent minimum. No premium pay may apply to raise the compensation of an individual to more than $12,340.

(7) Establishment of an incentive awards program similar to that provided for in the Senate bill and in H. R. 7774, which has passed the House.

(8) A provision whereby employees who are passed over for appointments or promotions in the competitive civil service, solely because of their sex, may appeal to the Civil Service Commission.

(9) Elimination of the present requirement that accumulated annual leave be liquidated down to 30 days so that under the bill classified and postal employees may accumulate up to 60 days (90 days for those outside the United States) but may not receive lump-sum payments upon termination for more than 30 days plus current accrued leave.

(10) A uniform allowance for employees required to wear uniforms, to cover the cost of such uniforms up to $100 annually.

Summary of estimated costs

Pay increases	$211, 500, 000
Premium compensation	40, 000, 000
Transfer of CPC employees	33, 000, 000
Longevity for grades GS–11 to GS–15	13, 500, 000
Total	298, 000, 000

Explanation of the Bill by Titles and Sections

TITLE I—AMENDMENTS TO THE CLASSIFICATION ACT OF 1949, AS AMENDED

Section 101 provides that title I may be cited as the "Classification Act Amendments of 1954."

INCREASE IN BASIC COMPENSATION SCHEDULES

Section 102 of the bill relates to increases in rates of basic compensation for officers and employees of the United States and the District of Columbia who are subject to the Classification Act of 1949, as amended.

Subsection (a) of section 102 amends section 603 (b) and 603 (c) of the Classification Act of 1949, as amended, by setting forth new per annum basic compensation rates for the general schedule (GS) and the crafts, protective, and custodial schedule (CPC) and new per annum full-time rates for charwomen and head charwomen who work part time. Each per annum rate of each grade of the general schedule and of the crafts, protective, and custodial schedule (except grade 18 of the general schedule) is increased by an amount equal to 5 percent of the entrance (minimum) rate of the grade computed to the nearest multiple of $5 subject to the requirement that no such increase shall be less than $180. No change is made in the number of within-grade steps or in the amounts of within-grade increments. The new per annum rates of basic compensation of charwomen and head charwomen who work part time, as under existing law, equal the new fifth and seventh rates, respectively, of grade CPC–2.

Subsection (b) of section 102 prescribes the following rules by which the existing pay rates of employees are to be initially adjusted to the new rates prescribed by the bill:

(1) Each employee paid, immediately prior to the effective date of section 102, at a scheduled or longevity step rate of his grade shall be compensated at the corresponding new rate of his grade.

(2) Each employee paid, immediately prior to such effective date, at a rate between 2 scheduled or 2 longevity rates, or between a scheduled rate and a longevity rate, shall be compensated at the higher of the two corresponding new rates.

(3) Each employee whose position is in grade 10 or below of the general schedule or in a grade of the crafts, protective, and custodial schedule who, immediately prior to the effective date of section 102 was paid at a rate in excess of the maximum longevity rate of his grade as increased by this section, will continue to receive such rate without change until he leaves the position or becomes entitled to a higher compensation rate under the Classification Act of 1949, as amended. The basic compensation of any subsequent appointee to the position will be fixed in accordance with such act, as amended.

(4) Each employee whose position is in grade 11, 12, 13, 14, or 15 of the general schedule and who, immediately prior to the effective date of section 102, was paid at a rate in excess of the maximum scheduled rate of his grade as increased by section 102, will continue to receive such rate without change until he leaves the position or becomes entitled to a higher rate of compensation under the Classification Act of 1949, as amended. The basic compensation of any subsequent

appointee to the position will be fixed in accordance with such act, as amended.

Subsection (c) provides that the effective date of section 102 shall be the beginning of the first pay period following the date of enactment of the bill.

NUMBER OF POSITIONS IN GRADES 16, 17, AND 18 OF THE GENERAL SCHEDULE

Section 103 of the bill relates to the number of positions authorized in grades 16, 17, and 18 of the general schedule of the Classification Act of 1949.

Subsection (a) of section 103 of the bill amends section 505 of the Classification Act of 1949. Such section 505 now provides that at any one time there shall not be more than 300 positions in grade GS–16, not more than 75 positions in grade GS–17, and not more than 25 positions in grade GS–18, making a total of 400 positions in these so-called supergrades. Such section 505, as amended by subsection (a) of section 103 of the bill, provides that at any one time there shall not be more than 396 positions in grade GS–16, not more than 123 positions in grade GS–17, and not more than 31 positions in grade GS–18, making a total of 550 positions. The additional 150 positions are apportioned among such grades in approximately the same ratio as the present 400 positions are now apportioned.

Subsection (a) of section 103 continues the provisions of section 505 of the Classification Act of 1949 which require (1) that positions may be placed in grades GS–16 and GS–17 only by action of, or after prior approval by, the Civil Service Commission, and (2) that positions may be placed in or removed from grade GS–18 only by the President upon recommendation of the Civil Service Commission.

Subsection (b) of section 103 assures that the amendment made by subsection (a) shall not affect positions allocated to grades 16, 17, and 18 of the general schedule pursuant to provisions of law (other than the Classification Act of 1949, as amended) and reorganization plans in effect prior to the effective date of this section.

LONGEVITY STEP INCREASES

Subsection (a) of section 104 amends section 703 (b) (1) of the Classification Act of 1949. Such section 703 (b) (1) now provides that no officer or employee in a position in any grade above grade 10 of the general schedule shall be entitled to a longevity step increase. Such section 703 (b) (1), as amended by subsection (a) of section 104 of the bill, provides that no officer or employee in a position in any grade above grade 15 of the general schedule shall be entitled to a longevity step increase.

Subsection (b) of section 104 provides that this amendment will be effective at the beginning of the first pay period after the date of enactment of the bill.

Subsection (a) of section 105 amends section 704 of the Classification Act of 1949. It provides that, in the case of employees in grades 11 to 15, inclusive, of the general schedule, not to exceed 3 years of service performed immediately prior to the effective date of the amendment at or above the maximum scheduled rates for their respective grades shall be counted toward longevity step increases. For grade

GS–15, which has within-grade compensation steps of $250, longevity step increases are limited to $200.

Subsection (b) of section 105 provides that this amendment will be effective at the beginning of the first pay period after the date of enactment of the bill.

RECRUITMENT ABOVE THE MINIMUM RATE OF THE CLASS

Section 106 of the bill amends section 803 of the Classification Act of 1949. Such section 803, as so amended, relates to the recruitment of employees at pay rates above the statutory minimum rate for a class of positions when authorized, under certain conditions, by the Civil Service Commission. Under present law, each original appointment to any position under the Classification Act of 1949 must be at the minimum per annum rate of the grade in which such position is classified. The Civil Service Commission reports that the inflexibility of this provision has constituted, from time to time, an impediment to the recruitment of a sufficient number of qualified eligibles to fill positions in a given class in certain areas.

Subsection (a) of section 803 of the Classification Act of 1949, as amended by section 106 of the bill, provides that whenever the Civil Service Commission finds with respect to any area or location (1) that a sufficient number of qualified eligibles for positions in a given class cannot be secured at the existing minimum rate for such class, and (2) that there is a possibility of securing a sufficient number of such eligibles by increasing the minimum rate for such class of positions in such area or location, the Commission may establish one of the within-grade step rates above the statutory minimum rate of the appropriate grade for such class of position as the minimum or entrance rate for such class of position in such area or location.

Subsection (b) of section 803 of the Classification Act of 1949, as amended by section 106 of the bill, authorizes the Civil Service Commission to revise, from time to time, such higher minimum rates as it may establish under subsection (a). Subsection (b) provides that such rates or any revisions thereof established under this section shall have the force and effect of law.

Subsection (c) of the amended section 803 provides that any increase in rate of basic compensation under section 803 shall not be regarded as an "equivalent increase" in compensation within the meaning of section 701 (a) of the Classification Act of 1949 (which relates to within-grade step increases).

EXCLUSION FROM CLASSIFICATION ACT OF 1949 OF CRAFTS, TRADES, AND LABOR POSITIONS AND APPLICATION OF PREVAILING WAGE POLICY TO SUCH POSITIONS

Section 107 of the bill amends paragraph (7) of section 202 of the Classification Act of 1949. Paragraph (7), as so amended, removes from the coverage of that act employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor occupations, the duties of which involve the maintenance and operation of public buildings and associated equipment or the performance of work in scientific or engineering laboratories as aides to scientists or engineers, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and

knowledge as the paramount requirement. Paragraph (7), as so amended, provides that the compensation of such employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates (as is the case with respect to other employees who come within the purview of this paragraph), except that where, in the opinion of the employing agency and the Civil Service Commission, it is impracticable to do so because of the small number of these employees in any given area, the rates of compensation for such employees in that particular area shall be fixed at rates of compensation prescribed in the Classification Act of 1949 for positions of equivalent difficulty or responsibility. The effective date of this section is set forth in section 112 (a) of the bill.

This change will affect about 69,000 crafts, trades, and manual-labor employees. Of this number, approximately 37,000 are employed in the Veterans' Administration and 16,000 in the General Services Administration, with others spread throughout a number of agencies. Some of these employees will receive increased pay when they are moved to a prevailing-rate pay system. As provided in section 116, no employee will have his present pay reduced as a result of the change.

TRANSFER OF CERTAIN POSITIONS FROM THE CRAFTS, PROTECTIVE, AND CUSTODIAL SCHEDULE TO THE GENERAL SCHEDULE

Subsection (a) of section 108 of the bill directs the conversion from the crafts, protective, and custodial schedule to the general schedule of all positions which do not go to the prevailing-wage system by virtue of the amendment made by section 107 of the bill to paragraph (7) of section 202 of the Classification Act of 1949. Such positions which are in grades CPC–1, 2, and 3 shall be placed in grade GS–1 and such positions which are in grades CPC–4, 5, 6, 7, 8, 9, and 10 shall be placed in grades GS–2, 3, 4, 5, 6, 7, and 8, respectively. No such action may be taken prior to the first day of the second pay period beginning after the date of enactment of the bill nor later than the first day of the first pay period beginning more than 6 months after such date of enactment.

Subsection (b) of section 108 prescribes the following rules by which the existing pay rates of employees under the crafts, protective, and custodial schedule are to be initially adjusted to the rates in the general schedule:

(1) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is less than the minimum scheduled rate of the grade in the general schedule in which his position is placed, shall have his compensation increased to such minimum rate;

(2) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is equal to one of the scheduled or longevity rates of the grade in the general schedule in which his position is placed, shall be paid at such scheduled or longevity rate;

(3) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is at a rate between 2 scheduled or 2 longevity rates, or between a scheduled rate and a longevity rate, of the grade in the general schedule in which his position is placed, shall be paid compensation at the higher of such 2 rates;

(4) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is in excess of the maximum longevity rate of the grade in the general schedule in which his position is placed, shall continue to be paid basic compensation without any change in rate until he either leaves such position or is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant the rate of basic compensation of any subsequent appointee shall be fixed in accordance with the Classification Act of 1949, as amended.

Subsection (c) of section 108 provides that the conversion of positions to grades of the general schedule under section 108, and the initial adjustments in compensation prescribed in such section, shall not be construed to be transfers or promotions within the meaning of section 802 (b) of the Classification Act of 1949, as amended, and regulations issued thereunder.

The conversion prescribed in this section will affect about 47,000 employees, mostly guards, messengers, and fire fighters, the majority of which are in the Department of Defense and General Services Administration. Most of these employees would receive small pay increases by conversion of their positions to the general schedule. Like the CPC workers who are moved to a prevailing-rate system, none would have his present pay reduced.

ABOLISHMENT OF CRAFTS, PROTECTIVE, AND CUSTODIAL SCHEDULE

Sections 109, 110, and 111 of the bill abolish the crafts, protective, and custodial schedule by making necessary revisions in the language of the Classification Act of 1949 to effect that action.

Section 109 deletes from section 601 of the Classification Act of 1949 reference to the crafts, protective, and custodial schedule.

Section 110 deletes from section 602 of the Classification Act of 1949 the grade level definitions of the crafts, protective, and custodial schedule.

Section 111 deletes from section 603 of the Classification Act of 1949 the crafts, protective, and custodial schedule, incidental references to such schedule, and paragraph (c) (2) of such section relating to the rates of pay of charwomen and head charwomen.

Section 112 of the bill relates to the dates on which sections 107, 109, 110, and 111 of the bill shall become effective.

Subsection (a) of section 112 provides that section 107 (the conversion of employees and positions to prevailing-wage rate basis) shall be effective on the date or dates specified by the head of a department but not earlier than the beginning of the second pay period following the date of enactment of the bill nor later than the first day of the first pay period beginning more than 12 months after such date of enactment.

Subsection (b) of section 112 provides that, with respect to employees and positions in a given department, the crafts, protective, and custodial schedule shall be abolished effective upon the completion of the conversion of employees and positions to prevailing-wage rate basis (sec. 107) and the conversion of the remaining employees and positions to the general schedule (sec. 108), but, in any event, not later than the first day of the first pay period beginning more than 12 months after the date of enactment of the bill.

MISCELLANEOUS PROVISIONS

Section 113 of the bill deletes from section 604 of the Classification Act of 1949 certain obsolete rules for the adjustment of basic compensation to the original pay scales of the Classification Act of 1949. One necessary provision, a broad savings clause, is retained.

Section 114 makes certain changes in references to section 604 of the Classification Act of 1949 which are made necessary by the amendment to such section made by section 113.

Section 115 authorizes the Commission to issue regulations for the administration of title I of the bill.

Section 116 is a general overall compensation saving provision. It provides that nothing in title I shall be construed to reduce the existing rate of basic compensation of any present employee, when, for example, he is changed from one schedule to another or from a scheduled rate of pay to a prevailing-rate basis, or by reason of any other provision of this title. However, when he vacates his position, the compensation of any subsequent appointee to such position will be fixed in accordance with the regular scale of pay applicable to such position.

Section 117 provides that the term "department" shall have the same meaning in title I as when used in the Classification Act of 1949, as amended.

TITLE II—AMENDMENTS TO THE FEDERAL EMPLOYEES PAY ACT OF 1945, AS AMENDED

Section 201 of the bill provides that title II may be cited as the "Federal Employees Pay Act Amendments of 1954."

COVERAGE

Section 202 of the bill makes the coverage of the new title IV added by the bill to the Federal Employees Pay Act of 1945, as amended, the same as the coverage of other overtime, night, and holiday-pay provisions of that act. Section 202 also repeals an obsolete subsection (subsec. (b) of sec. 101) of the Federal Employees Pay Act of 1945, as amended.

COMPENSATION FOR OVERTIME WORK

Section 203 of the bill amends section 201 of the Federal Employees Pay Act of 1945, as amended, in order to provide overtime pay at a time-and-one-half rate for employees whose basic salaries do not exceed the maximum schedule rate of grade GS–9, proposed as $6,065 per annum in the amendment of the general schedule of the Classification Act of 1949 contained in section 102 of the bill. For employees above that salary level such section 201, as amended, provides overtime pay at a rate equivalent to time-and-one-half at such maximum scheduled rate of grade GS–9, or at their respective rates of basic compensation, whichever is greater. The present provisions of section 201 of the Federal Employees Pay Act of 1945, as amended, establish a time-and-one-half rate of overtime pay for employees whose basic salaries are less than $2,980 per annum and a diminishing scale of overtime pay for employees whose basic salaries are $2,980 or more per annum.

Section 204 of the bill amends section 202 (a) of the Federal Employees Pay Act of 1945, as amended, in order to give agency heads the authority, which they do not now have, to require employees at salaries above the maximum scheduled rate of grade GS–9 to take compensatory time off instead of receiving overtime pay for irregular or occasional overtime duty. The amendment made by section 204 also continues existing authority for granting compensatory time off, at the request of an employee, in place of pay for irregular or occasional overtime work. In both instances, the time off so provided will compensate the employee for an equal amount of time spent by him in irregular or occasional overtime work.

CALL-BACK OVERTIME AND TIME IN TRAVEL STATUS

Subsection (a) of section 205 of the bill redesignates section 203 of the Federal Employees Pay Act of 1945, as amended, as section 205 of that act and contains language which, in effect, amends all references to such section 203 elsewhere in existing law to conform with such redesignation.

Subsection (b) of section 205 of the bill adds new sections 203 and 204 to the Federal Employees Pay Act of 1945, as amended.

The new section 203 provides a minimum of 2 hours of pay at the overtime rate for any employee who is called back to perform unscheduled overtime work either on a regular workday after he has completed his regular schedule of work and left his place of employment or on one of the days when he is off duty.

The new section 204 places on a statutory basis those principles now established by decisions of the Comptroller General which relate to time spent in a travel status away from the official duty station of an officer or employee. Under the new section 204 such time is treated as hours of employment only when: (1) within the regularly scheduled workweek, including regularly scheduled overtime, of the officer or employee, or (2) the travel involves the performance of work while traveling or is carried out under arduous conditions which have the effect of making such travel inseparable from work.

COMPENSATION FOR NIGHT AND HOLIDAY WORK

Section 206 of the bill amends the night-differential-pay provisions of section 301 of the Federal Employees Pay Act of 1945, as amended. The amendment made by section 206 does not change the existing 10 percent rate of night differential for regularly scheduled work between 6 p. m. and 6 a. m. At present employees receive night differential only for hours actually worked. New provisions contained in the amendment made by section 206 liberalize this existing requirement that hours be actually worked by allowing an employee whose regular tour of duty includes nightwork to be paid night differential: (1) for his regular nightwork hours when he does not work because of a holiday, and (2) for periods of leave with pay during any pay period in which his leave totals less than 8 hours. The amendment made by section 206 also authorizes agency heads to change the night-differential period at overseas posts to the extent required to relieve such agencies of the necessity for paying night differential during hours that are customary hours of business in the locality concerned.

Section 207 of the bill amends the holiday-pay provisions of section 302 of the Federal Employees Pay Act of 1945, as amended. The amendment made by section 207 continues the existing provision for extra pay at the straight-time rate, in addition to pay at the regular rate, for work on a holiday within an employee's 40-hour basic workweek. The amendment also adds a new provision guaranteeing a minimum of 2 hours of pay at the holiday rate for any employee required to work on a holiday. The amendment also provides that any extra pay for an employee at the holiday rate shall be in addition to the differential of 10 percent which such employee is entitled to receive for a regularly scheduled tour of duty performed by him at night on a holiday, each such rate of premium compensation for such holiday or nightwork being computed separately on the rate of basic compensation of the employee concerned. In addition, the amendment states explicitly the policy which is implicit in existing provisions of the Federal Employees Pay Act of 1945, as amended, that is, that overtime work on Sundays and holidays is to be compensated at the same rates as overtime work on other days.

SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK

Subsection (a) of section 208 of the bill adds a new title IV to the Federal Employees Pay Act of 1945, as amended.

Paragraph (1) of section 401 (a) of the new title IV authorizes agency heads to allow additional annual pay at rates up to 25 percent of base-pay rates, in lieu of all overtime, night, and holiday pay, for employees who are required, by reason of the duties of their positions, to remain at or within the confines of their stations during longer than ordinary periods of duty but who spend a substantial part of their time on duty in a standby status rather than actually performing work.

Additional annual pay granted under such paragraph (1) will be determined after consideration of the following factors: (1) The number of hours of actual work required in each of such positions, (2) the number of hours required in a standby status at or within the confines of the station, (3) the extent to which the duties of each such position are made more onerous by night or holiday work or by being extended over periods of more than 40 hours a week, and (4) any other factors relative to the determination of such additional annual pay.

Paragraph (2) of section 401 (a) of the new title IV authorizes agency heads to allow additional annual pay at rates up to 15 percent of base-pay rates, in lieu of other pay for irregular or unscheduled overtime duty and for night and holiday duty, for those employees whose hours of duty cannot be controlled administratively and who are required to perform substantial amounts of irregular, unscheduled, overtime and night and holiday duty, each employee generally being responsible for recognizing (without supervision) circumstances which require him to remain on duty. Each such employee will receive other overtime pay, computed in the usual manner, for regularly scheduled overtime work which is officially ordered or approved. Paragraph (2) is designed specifically to permit this form of additional compensation for those investigators of criminal activities whose positions meet all the conditions specified in such paragraph. Paragraph (2) also will permit similar payments to employees in other types of positions in which all these conditions exist in like degree.

Additional annual pay granted under such paragraph (2) will be determined after consideration of the frequency and duration of night, holiday, and unscheduled overtime duty required in each of such positions.

It should be noted that: (1) additional annual pay under the new title IV is subject to the approval of the Civil Service Commission, and (2) such additional annual pay is to be computed on only that part of the base pay of an employee which does not exceed the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended.

Section 401 (b) of the new title IV provides that such new title shall not apply to fire fighters. Fire fighters will continue to be paid for overtime, night, and holiday duty under provisions (other than the new title IV) of the Federal Employees Pay Act of 1945, as amended, which relate to such duty.

Subsection (b) of section 208 of the bill provides that the provisions of the new title IV added by section 208 (a) to the Federal Employees Pay Act of 1945, as amended, shall not be construed to decrease the existing aggregate rate of compensation of any present employee. If, however, the position of such present employee should become vacant in the future, any subsequent appointee to such position will receive premium compensation for such position in accordance with the provisions of such new title IV.

LIMITATION ON PREMIUM COMPENSATION

Section 209 of the bill amends section 603 of the Federal Employees Pay Act of 1945, as amended, to provide new limitations with respect to receipt of premium compensation which will replace the existing limitations contained in such section 603.

Subsection (a) of such section 603, as so amended, provides that no premium compensation will be paid, under the amendments made by title II of the bill, for overtime, night, or holiday work, to any officer or employee whose rate of basic compensation equals or exceeds the maximum scheduled rate of basic compensation provided for grade GS–15 in the general schedule of the Classification Act of 1949, as amended (proposed as $12,340 in the amendment made by sec. 102 (a) of the bill).

Subsection (b) of such section 603, as so amended, provides that, in the case of any officer or employee whose rate of basic compensation is less than the maximum scheduled rate of basic compensation provided for grade GS–15 in the Classification Act of 1949, as amended, such premium compensation may be paid only to the extent that such payment would not cause his aggregate rate of compensation to exceed such maximum scheduled rate with respect to any pay period.

The amendment made by section 209 of the bill replaces the present ceiling rate of $10,330 in the Federal Employees Pay Act of 1945, as amended—a former maximum scheduled rate of the former grade CAF–15.

WORK SCHEDULES

Section 210 of the bill adds to section 604 (a) of the Federal Employees Pay Act of 1945, as amended, new provisions relating to the scheduling of tours of duty. Except where an agency head determines that his organization would be seriously handicapped in carrying out

its functions or that costs would be substantially increased, the new provisions will require such agency head to provide for the following actions and policies with respect to all officers and employees in his organization: (1) Assignments to tours of duty shall be scheduled at least 1 week in advance, (2) the basic workweek of 40 hours shall be scheduled on 5 days (Monday through Friday, if possible) and the 2 days outside the basic workweek shall be consecutive, (3) the working hours on each day in the basic workweek shall be the same, (4) the basic nonovertime workday shall not exceed 8 hours, (5) the basic workweek shall not be altered because of the occurrence of a holiday, and (6) daily tours of duty shall not be split by off-duty periods of more than 1 hour.

It should be noted that existing mandatory scheduling provisions of the Federal Employees Pay Act of 1945, as amended, will continue in effect. Such provisions require agencies to establish a basic workweek of 40 hours and require that the hours of work in such workweek be performed within a period of not more than 6 of any 7 consecutive days.

EFFECTIVE DATE

Section 211 of the bill provides that title II of the bill shall become effective at the beginning of the first pay period which begins more than 60 days after the date of enactment of the bill.

TITLE III—FEDERAL EMPLOYEES INCENTIVE AWARDS

Section 301 of the bill provides that title III may be cited as the "Federal Employees Incentive Awards Act of 1954".

Section 302 of the bill defines the terms "department", "Government", "employees", and "Commission". The effect of this section is to place all Federal departments and agencies and their employees under the provisions of title III, including wage-board employees, field postal employees, per diem consultants, and without-compensation officials. The term "Commission" means the United States Civil Service Commission.

Section 303 (a) of the bill imposes on the heads of departments the duty to establish incentive awards programs for their respective departments in accordance with the standards and regulations established by the Commission.

Section 303 (b) imposes responsibility on the Civil Service Commission to inspect such incentive awards programs, and provides that where such inspection indicates noncompliance of any program with the requirements of title III or with the standards and regulations issued by the Commission thereunder the Commission may request revision or modification of such program, to the extent necessary to correct such noncompliance.

Section 303 (c) authorizes the establishment in the Civil Service Commission of an Incentive Awards Office, the appointment of a Director of such office, and the delegation to the Director of such duties as the Commission deems necessary.

Section 303 (d) establishes the line of administrative authority from the Director of the Incentive Awards Office directly to the Executive Director of the Commission.

Section 303 (e) authorizes the Commission to include a statement on the operations of the incentive-awards program in its annual report to the Congress. This authorization eliminates the necessity for the submission of a separate report on this program.

Section 304 (a) of the bill authorizes departments to pay cash awards and expenses for honorary recognition from their general appropriations. In addition, it will permit a number of different departments which all have benefited from a single suggestion to share in the award granted for such suggestion. The President of the United States will determine the proportionate amount that each benefiting department will contribute.

Section 304 (b) places a limitation of $5,000 on an individual cash award which an administrator can grant under his own authority. Cash awards in excess of $5,000, but not in excess of $25,000, can be granted, however, providing such awards are approved by the Commission.

Section 304 (c) authorizes the President of the United States to pay cash awards and incur expenses for honorary recognition of civilian officers and employees of the Federal Government. Such Presidential awards may be in addition to those authorized in section 303 (a). Accordingly, this section will permit the granting of a cash award in excess of $25,000 where the adopted suggestion or invention is of a highly meritorious or exceptional nature.

Section 304 (d) is to protect the United States and the District of Columbia from a claim of any nature which might arise from the acceptance of a cash award by any employee, former employee, his heirs, assigns, or estate.

Section 304 (e) requires that due weight be given to such awards in considering employees for promotion.

Section 305 (a) of the bill repeals all existing laws governing incentive-awards programs, including section 702 of the Classification Act of 1949, as amended, which authorizes within-grade salary step increases for superior accomplishment.

Section 305 (b) is a general repeal provision which repeals any inconsistent laws, which might have been overlooked, to the extent of their inconsistency with this title.

Section 305 (c) will correct the language of section 701 of the Classification Act of 1949, as amended, which refers to sections 702 and 1002 of such act. These two sections are repealed by section 305 (a) (1) of this title.

Section 306 of the bill is a savings clause which protects employees who might be receiving within-grade salary step increases for superior accomplishment or other awards benefits under laws repealed by this title.

Section 307 authorizes necessary appropriations to carry out the purposes of this title.

Section 308 establishes the effective date of this legislation as 90 days after date of enactment. This will allow the departments sufficient time to revise their awards programs in compliance with the provisions of this title.

TITLE IV—UNIFORM ALLOWANCES

Section 401 of the bill provides that this title may be cited as the "Federal Employees Uniform Allowance Act."

Section 402 of the bill requires the payment, to civilian officers and employees of the United States and of the municipal government of the District of Columbia who are required by law or regulation to wear prescribed uniforms, of monetary allowances to defray the expense of obtaining such uniforms. Such uniform allowances shall be paid at such times and in such amounts as may be prescribed by the heads of the various departments or independent establishments and of the District of Columbia government, in accordance with such regulations as the Director of the Bureau of the Budget may issue. In no event will the amount paid to any employee for such uniform allowance exceed the actual cost incurred by the employee in obtaining the uniform or $100 per annum, whichever is the lesser.

Section 403 provides that uniform allowances paid under title IV shall not be considered as pay, salary, or compensation within the meaning of the Civil Service Retirement Act of May 29, 1930, as amended, or as wages within the meaning of section 209 of the Social Security Act, as amended, or chapters 21 and 24 of the Internal Revenue Code of 1954.

Section 404 excludes from the application of title IV any officer or employee who, under any other provision of law or under any regulation, is entitled to be furnished a uniform or to be paid an allowance for the purchase of a uniform.

Section 405 of the bill authorizes appropriation of such sums as may be necessary to carry out the provisions of title IV of the bill.

TITLE V—AMENDMENTS TO THE ANNUAL AND SICK LEAVE ACT OF 1951

Subsections (a) and (b) of section 501 of the bill amend section 203 (c) and (d) of the Annual and Sick Leave Act of 1951, in the following respects:

First, the maximum allowable accumulation of annual leave of officers and employees stationed in the continental United States and officers and employees in the Foreign Service of the United States is increased from 30 days to 60 days.

Second, the maximum allowable accumulation of annual leave of officers and employees stationed outside the continental United States (other than officers and employees in the Foreign Service of the United States) is increased from 45 days to 90 days.

Third, the annual leave of officers and employees which may be carried over or added to leave balances (accumulated leave) each year is reduced one-half from the present limitations of 13, 20, or 26 days to 6½, 10, or 13 days. The same limitations of 6½, 10, or 13 days are applicable to officers and employees who are not in a leave-earning status for a full leave year.

Section 502 of the bill amends the first section of the act of December 21, 1944, to require current accrued annual leave to be added to the accumulated leave authorized to be carried over from year to year, for purposes of computing the lump-sum payment for unused annual leave which is paid to an officer or employee upon his separation from

the service, or, if he so elects, upon his entrance into the Armed Forces of the United States or the merchant marine of the United States.

At present, under the act of December 21, 1944, as amended by the act of July 2, 1953, current accrued leave in excess of the specified limitations may not be included in the lump-sum leave payment. It was contemplated that employees be permitted to take such leave prior to separation. However, some employees have not been given the opportunity to take such leave prior to separation and this amendment, by requiring current accrued leave to be included in the lump-sum payment, assures uniform treatment for all employees.

Section 503 of the bill amends section 2 of the act of August 3, 1950, which provides, in part, for the lump-sum payment for all accumulated and current accrued annual leave to survivors of deceased officers and employees in an amount equal to the compensation that the decedent would have received if he had remained in the service until the expiration of the period of such annual leave. The amendment made by section 503 of the bill permits current accrued annual leave to be added to the accumulated leave even though the total leave equals or exceeds the maximum authorized by law. This amendment is in accord with the amendment made by section 502 of the bill.

Section 504 of the bill amends section 2 (a) (2) of the act of July 2, 1953, which provides for the liquidation by lump-sum payment in accordance with the act of December 21, 1944, or the act of August 3, 1950, of the accumulated and current accrued annual leave to which any officer exempted from the Annual and Sick Leave Act of 1951 by the act of July 2, 1953, is entitled immediately prior to the date such section becomes applicable to him. The amendment made by such section 504 carries out the policy of sections 502 and 503 of the bill by providing that lump-sum payments to any such officer shall be made without regard to the limitations imposed by any amendments made after July 1, 1953, to such act of December 21, 1944, or such act of August 3, 1950, with respect to the amounts of leave compensable thereunder.

Section 505 of the bill amends section 6 of the act of July 2, 1953. Section 6 now requires the head of each department and agency to take such action as may be necessary to effect reductions in the accumulated annual leave which is in excess of the maximum allowable leave accumulations of 30 or 45 days established by the act of July 2, 1953. The increase in the maximum allowable accumulated annual leave provided by section 501 of the bill renders this requirement obsolete.

The amendment made by section 505 of the bill directs the head of each department and agency to afford officers and employees an opportunity during a leave year to use not less than one-half of the annual leave which they earn during such leave year in order to avoid the situation which would otherwise occur under section 501 of the bill in which an officer or employee who is not afforded such an opportunity would forfeit that portion of one-half of his annual earnings of leave which he is unable to use.

Section 506 of the bill prohibits any lump-sum leave payment under the act of December 21, 1944, as amended, to any officer or employee separated from Government service because of: (1) activities which according to any law or executive order reflect adversely on his loyalty, (2) membership or sympathetic association with any group which

engages in such activities, or (3) refusal to testify with respect to his subversive activities before a court of the United States or a congressional committee.

Section 507 of the bill provides that sections 502 and 503, adding current accrued leave to accumulated leave for lump-sum leave payment purposes, shall take effect as of September 1, 1953. As indicated above, certain employees have been unable to take their current accrued leave prior to separation in cases of resignation on or after such date. This has resulted in an unintended injustice where there was no opportunity to take the current accrued leave, particularly in the case of deceased employees. It is understood that there have been relatively few of these cases, and in order to remedy the injustices in such cases the amendments made by sections 502 and 503 of the bill are made effective retroactively to September 1, 1953, the effective date of the applicable provisions of the act of July 2, 1953.

TITLE VI—MISCELLANEOUS PROVISIONS

Section 601 of the bill amends section 165 of the Revised Statutes (5 U. S. C., sec. 33) to provide a right of appeal to the Civil Service Commission in cases of discrimination, on account of sex, with respect to appointment or promotion to positions in the competitive civil service.

Section 601 provides, in effect, that any person who has reasonable grounds to believe that his or her name is passed over, at any time after the date of enactment of section 601, because of his or her sex, either on a civil-service certificate or on a promotion list of a department, agency, independent establishment, or Government-owned corporation, for appointment to any position in the competitive civil service, may appeal to the Civil Service Commission to review the action taken in passing over his or her name on such civil-service certificate or promotion list. Section 601 further provides that the Civil Service Commission shall act upon such appeal at the earliest practicable time and that the decision of the Commission shall be certified forthwith to, and shall be final and binding upon, the department, agency, independent establishment, or Government-owned corporation concerned.

It should be noted that section 601 of the bill is not intended to modify or affect in any manner the provisions of section 1103 of the Classification Act of 1949, as amended (5 U. S. C., sec. 1074), which provides that in the administration of that act there shall be no discrimination with respect to any person, or the position held by any person, on account of sex, marital status, race, creed, or color.

Section 602 (a) of the bill amends section 2 (b) of the Performance Rating Act of 1950 by excluding the Central Intelligence Agency from the application of such act. Compliance with certain of the requirements of such act, including particularly section 4 (relating to inspection by the Civil Service Commission of the performance rating plans of agencies subject to the act) and section 7 (relating to hearings in individual cases which, to be effective, would require any employee concerned to disclose his duties and submit samples of his work), has been found incompatible with the mission of the Central Intelligence Agency. Exclusion of the Central Intelligence Agency from the Performance Rating Act of 1950 is necessary to maintain its essential security.

Section 602 (b) of the bill repeals section 9 of the Central Intelligence Agency Act of 1949, as amended, which authorizes the Director of the Central Intelligence Agency to establish not more than three positions in the professional and scientific field in such Agency with compensation at rates (subject to Civil Service Commission approval) of not less than $13,100 nor more than $15,000 per annum. Such section 9 is no longer needed because of subsequent legislation. However, each revision of the pay scale of Federal employees generally has made it necessary for the Central Intelligence Agency to seek an amendment to such section in order to keep pace with government-wide legislation.

Subsection (a) of section 603 of the bill grants an increase of 5 percent in the aggregate rates of compensation of all officers and employees in the legislative branch (except those included in subsection (d) of section 603) who are not under the Classification Act of 1949, as amended. It should be noted that this subsection does not provide a minimum pay increase of $180 as is provided in the bill for officers and employees under such act. As has been the case in prior legislation providing increases in compensation for personnel in the legislative branch, it is intended that the pay increase granted by this subsection shall apply to the official reporters of proceedings and debates of the Senate and their employees.

Section 2 (b) of the act of October 24, 1951 (Public Law 201, 82d Cong.), places a ceiling of $11,646 per annum on the aggregate rate of compensation payable to officers and employees who come within the purview of subsection (a) of section 603 of the bill. In accord with the increase granted by such subsection, subsection (b) of section 603 of the bill amends section 2 (b) of such act of October 24, 1951, by increasing the ceiling prescribed therein to $12,228 per annum.

Subsection (c) of section 603 of the bill increases by 5 percent (1) the limitation on the hourly gross rate of compensation which may be received by employees of the Senate engaged in the folding of documents, and (2) the limitations on the gross rate per thousand and on the hourly gross rate of compensation which may be received by employees of the House of Representatives engaged in such work. These limitations are contained in the Legislative Appropriation Act, 1955 (Public Law 470, 83d Cong.).

Subsection (d) of section 603 of the bill increases by 5 percent the rates of basic compensation of each elective officer of the Senate and the House of Representatives (not including the presiding officers of the two Houses) the Parliamentarian of the Senate, the Parliamentarian of the House of Representatives, the Legislative Counsel of the Senate, the Legislative Counsel of the House of Representatives, and the Coordinator of Information of the House of Representatives.

Subsection (e) of section 603 of the bill provides that section 60 shall take effect on the first day of the first pay period which begins after the date of enactment of the bill.

Subsection (a) of section 604 of the bill provides that the rate of basic compensation of the Treasurer of the United States shall be at the highest scheduled rate established by the Classification Act of 1949, as amended. This provision has the effect of removing the position of Treasurer of the United States from the purview of the Classification Act of 1949, as amended, and of increasing the present

basic compensation for such position. Under the general schedule of the Classification Act of 1949, as amended, as now in effect and as proposed to be amended by the bill, the highest scheduled rate is $14,800.

Subsection (b) of section 604 of the bill provides that section 604 shall take effect on the first day of the first pay period with respect to the Treasurer of the United States which begins after the date of enactment of the bill.

Section 1310 of the Supplemental Appropriation Act of 1952 (Whitten Amendment)

Both the House bill (H. R. 8093) and the Senate bill (S. 2665) considered by the committee in hearings on this legislation contain provisions for repeal of section 1310 of the Supplemental Appropriation Act, 1952, approved November 1, 1951 (Public Law 253, 82d Congress), as amended by Public Law 375, 82d Congress, approved June 5, 1952. The committee struck this repeal provision from the reported bill.

The above section of the Supplemental Appropriation Act of 1952 placed any increases in Government employment on a temporary basis for the duration of the emergency proclaimed by the President on December 16, 1950. This legislation, which has come to be known as the Whitten amendment, was designed to assure that the bulge in Federal employment during the emergency would not be on a permanent basis. It also was designed to provide job protection for those employees who were temporarily transferred to emergency defense agencies and for those employees who were called into the military service.

There was general agreement in testimony before the committee that when this legislation was enacted it was necessary and desirable.

It is the view of the committee that it should not be repealed outright but appropriate amendments considered.

Testimony at the hearings pointed out there was a marked difference between provisions of the Executive Order 10180, dated November 13, 1950, and the law itself upon which the Executive order was based.

In the judgment of the committee, much of the dissatisfaction and criticism of the law is caused by the language of the Executive order. The committee points out, for example, that under the ceiling of permanent employees set by the Whitten rider as the total number of permanent employees on September 1, 1950, there could be 1,508,921 permanent appointments. Best estimates set the total number of permanent appointments today at 1,300,019. In other words, as far as the law is concerned, the executive departments could make 208,902 additional appointments without going above the September 1, 1950, ceiling. In a similar manner, many other criticisms made of the Whitten amendment should, in reality, be leveled at the Executive order instead.

The committee desired to consider and recommend legislation which would clarify any portion of the existing law so that personnel administration and procedures could be both effective and properly carried out. The Civil Service Commission, however, declined to either suggest language which would amend the existing law or approve any of a number of suggested changes in language made by members of the committee. It is entirely possible, in the final analysis, because of

the difference between the House and Senate bills in this respect (the Senate has repealed the Whitten amendment and the House has taken no action at all with respect to such repeal), that this legislation may contain some modifications of language from present law.

It is the recommendation of the committee that Executive Order 10180, dated November 13, 1950, be rescinded and replaced by a more realistic and workable Executive order. This Executive order should, in harmony with the Whitten amendment, provide for a government-wide ceiling rather than one by department or agency. It is this variation from the law contained in the Executive order which prevents departments and agencies, which are willing to make permanent appointments, from making them because a large number of vacancies are allotted to departments and agencies which refuse to make permanent appointments.

The committee further recommends that the new Executive order shall provide for permanent reinstatements and promotions in accordance with the intent of Congress and such adjustments in language as may be finally agreed to in this legislation.

As a means of determining the intent of Congress, the committee recommends the hearings held on the subject, particularly the testimony of the author of the amendment, the Honorable Jamie L. Whitten.

The committee disagrees with a do-nothing policy with respect to permanent appointments in the executive departments apparently adopted merely because Congress is opposed to a grant of unrestricted authority to expand the total number of permanent appointments in the Federal Government.

It is the view of the committee that the Civil Service Commission is obligated to make a beginning on the adjustment of the Federal personnel program within the framework of existing law. It is suggested that when the Civil Service Commission believes that reasonable changes in existing law are desirable, it should recommend them. They must be justified, however, based upon the actual program proposed rather than merely a request to remove all restrictions and repeal a law which still demonstrates its desirability.

The favorable reports of the Bureau of the Budget and the Civil Service Commission on H. R. 8093, major provisions of which are included in S. 2665 as reported, are as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., April 12, 1954.

Hon. EDWARD H. REES,
Chairman, Committee on Post Office and Civil Service,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: This is in response to your letter of March 2, 1954, requesting the views of this office with respect to H. R. 8093, a bill to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes. Enactment of this bill would be in accord with the program of the President and the Bureau of the Budget recommends favorable consideration by your committee.

Title 1 of H. R. 8093 would amend the Classification Act of 1949, as amended, (1) to provide readjustment in the basic compensation schedules; (2) to increase from 400 to 700 the number of positions authorized by this act to be placed in grades GS–16, 17, and 18, and to remove the restrictions on the number of positions which may be placed in each of these grades; (3) to authorize longevity step increases in grades GS–11 through GS–15; (4) to permit establishment of entrance rates higher than the minimum rate of the grade for positions in shortage cate-

gories; and (5) to abolish the crafts, protective, and custodial schedule by providing for compensation on a prevailing locality rate basis of certain positions now on that schedule and establishing the compensation for the remaining positions on that schedule in accordance with the rates provided in the general schedule. We believe enactment of this title would increase the morale and efficiency of the Federal service and simplify personnel administration.

Title II of the bill would amend the Federal Employees Pay Act of 1945, as amended, to revise the overtime, night and holiday pay provisions of the act and to add new provisions with respect to premium pay for standby service and for irregular and unscheduled overtime duty. Establishment of a uniform premium pay plan including full time-and-one-half overtime rate for employees in all Classification Act grades through the maximum of GS–9 would be desirable. It is the view of the Bureau of the Budget that this premium pay plan should ultimately control premium pay for all employees whose base pay is established under the Classification Act.

Title III would establish a new incentive awards program on a governmentwide basis, with responsibility for administration centered in the Civil Service Commission, by consolidating into one basic statute existing awards authorizations contained in the Classification Act and in several other authorities. It is assumed that the present wording of this section would authorize the continued granting of length-of-service recognition to employees for long and faithful service. It is suggested, however, that this intent be reflected in the committee's report on this bill.

Title IV of the bill would repeal the current restriction on appointments and promotion contained in section 1310 of the Supplemental Appropriations Act, 1952, and would provide appointing authorities with the opportunity to choose from among the 5 highest rated qualified eligibles for appointment, instead of from among the 3 highest eligibles as at present. We believe enactment of these provisions would be in the best interest of the service. They would simplify personnel processes and would permit the placement of recruits in positions for which they were best suited and in which they would be likely to best serve the Government.

As stated above, the Bureau of the Budget strongly recommends favorable consideration of H. R. 8093 by your committee.

Sincerely yours,

ROWLAND HUGHES,
Deputy Director.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., April 6, 1954.

Hon. EDWARD H. REES,
Chairman, Committee on Post Office and Civil Service,
House of Representatives.

DEAR MR. REES: This refers to your request of March 2, 1954, for a report on H. R. 8093, a bill to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

The Civil Service Commission completely endorses H. R. 8093. This comprehensive legislative proposal would carry out many of the objectives of the administration's program to improve Federal personnel management. Specifically, the bill would—

1. Correct the inequities and distortions in the current pay schedules of the Classification Act of 1949 within the limitations imposed by the cost that can be borne by the overall budget, and subject to present salary ceilings based on congressional pay and pay rates set by the Executive Pay Act.
2. Increase the number of positions in grades GS–16, 17, and 18 to correct improper classification of many existing jobs, meet program needs, and help the Government to attract and retain top-level personnel.
3. Extend longevity pay benefits to employees through grade GS–15.
4. Authorize pay above the minimum rate of the grade where necessary to recruit and retain employees for hard-to-fill jobs.
5. Extend the wage board pay system to trades and labor positions now covered by the CPC pay schedule of the Classification Act and abolish that schedule.
6. Adjust overtime and premium pay provisions for most salaried employees outside the postal field service to bring them in line with private industry practice, to reflect changed conditions, and to improve administration.

7. Improve and extend the Government's incentive awards program.

8. Achieve a more flexible and simplified Government employment system by repeal of section 1310 of the Supplemental Appropriations Act, 1952, as amended (commonly referred to as the Whitten amendment).

9. Permit better selection of employees from civil service registers by allowing appointing officers to hire 1 from 5 qualified candidates rather than 1 from 3.

We feel that the provisions of H. R. 8093 would accomplish much needed changes in the personnel management system of the Federal Government, and would be of substantial benefit to the majority of Federal employees. A detailed statement of our views on the major provisions of the bill is attached.

To correct an apparent typographical error, we recommend that the word "duty" be substituted for the word "day" in line 14, page 19 of the bill; and "s" be stricken from the word "employees", line 11 of page 19.

We have been advised that the Bureau of the Budget has no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,

PHILIP YOUNG, *Chairman.*

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as passed by the Senate, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

CLASSIFICATION ACT OF 1949, AS AMENDED

TITLE II—COVERAGE AND EXEMPTIONS

* * * * * * *

SEC. 202. This Act (except title XII) shall not apply to—

* * * * * * *

(7) employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor [occupations (except such employees in positions to which the Classification Act of 1923, as amended, now applies, the duties of which involve the maintenance and operation of public buildings and associated equipment or the performance of work in scientific or engineering laboratories as aides to scientists or engineers)] *occupations, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and knowledge as the paramount requirement*, and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experience, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine [operations, whose compensation] *operations: Provided, That the compensation of such employees* shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates*: Provided further, That whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees shall be subject to the provisions of the Classification Act of 1949, as amended, which are applicable to positions of equivalent difficulty or responsibility*;

* * * * * * *

SEC. 204. (a) * * *

* * * * * * *

(c) [Sections 202 and] *Section 202 (except paragraph 7 thereof) and section* 203 shall not apply to the Office of the Architect of the Capitol.

* * * * * * *

SEC. 505. (a) No position shall be placed in grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission. At

any one time there shall not be more than [three] *four* hundred positions in grade 16 of the General Schedule and not more than [seventy-five] *one hundred and fifteen* positions in grade 17 of the General Schedule.

(b) No position shall be placed in or removed from grade 18 of the General Schedule except by the President upon recommendation of the Commission. There shall not be more than [twenty-five] *thirty-five* positions in such grade at any one time.

(e) Positions that may be established under the proviso of section 203 (b) (1) of the Act of August 2, 1946 (60 Stat. 836), may be in addition to those authorized by the foregoing provisions of this section.

* * * * * * *

TITLE VI—BASIC COMPENSATION SCHEDULES

[SEC. 601. There are hereby established the following basic compensation schedules for positions to which this Act applies:

[(1) A "General Schedule", the symbol for which shall be "GS", in lieu of the professional and scientific service, the clerical, administrative, and fiscal service, and the subprofessional service specified in section 13 of the Classification Act of 1923, as amended; and

[(2) A "Crafts, Protective, and Custodial Schedule", the symbol for which shall be "CPC", in lieu of the crafts, protective, and custodial service specified in such section.]

SEC. 601. There is hereby established for positions to which this Act applies a basic compensation schedule to be known as the "General Schedule", the symbol for which shall be "GS".

SEC. 602. [(a)] The General Schedule shall be divided into eighteen grades of difficulty and responsibility of work, as follows:

GENERAL SCHEDULE

Grade GS–1 includes all classes of positions the duties of which are to perform, under immediate supervision, with little or no latitude for the exercise of independent judgment, (1) the simplest routine work in office, business, or fiscal operations, or (2) elementary work of a subordinate technical character in a professional, scientific, or technical field.

Grade GS–2 includes all classes of positions the duties of which are (1) to perform, under immediate supervision, with limited latitude for the exercise of independent judgment, routine work in office, business, or fiscal operations, or comparable subordinate technical work of limited scope in a professional, scientific, or technical field, requiring some training or experience; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–3 includes all classes of positions the duties of which are (1) to perform, under immediate or general supervision, somewhat difficult and responsible work in office, business, or fiscal operations, or comparable subordinate technical work of limited scope in a professional, scientific, or technical field, requiring in either case (A) some training or experience, (B) working knowledge of a special subject matter, or (C) to some extent the exercise of independent judgment in accordance with well-established policies, procedures, and techniques; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–4 includes all classes of positions the duties of which are (1) to perform, under immediate or general supervision, moderately difficult and responsible work in office, business, or fiscal operations, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) a moderate amount of training and minor supervisory or other experience, (B) good working knowledge of a special subject matter or a limited field of office, laboratory, engineering, scientific, or other procedure and practice, and (C) the exercise of independent judgment in accordance with well-established policies, procedures, and techniques; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–5 includes all classes of positions and duties of which are (1) to perform, under general supervision, difficult and responsible work in office, business, or fiscal administration, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) considerable training and supervisory or other experience, (B) broad working knowledge of a special subject matter or of office, laboratory, engineering, scientific, or other procedure and

practice, and (C) the exercise of independent judgment in a limited field; (2) to perform, under immediate supervision, and with little opportunity for the exercise of independent judgment, simple and elementary work requiring professional, scientific, or technical training equivalent to that represented by graduation from a college or university of recognized standing but requiring little or no experience; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–6 includes all classes of positions the duties of which are (1) to perform, under general supervision, difficult and responsible work in office, business, or fiscal administration, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) considerable training and supervisory or other experience, (B) broad working knowledge of a special and complex subject matter, procedure, or practice, or of the principles of the profession, art, or science involved, and (C) to a considerable extent the exercise of independent judgment; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–7 includes all classes of positions the duties of which are (1) to perform, under general supervision, work of considerable difficulty and responsibility along special technical or supervisory lines in office, business, or fiscal administration, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) considerable specialized or supervisory training and experience, (B) comprehensive working knowledge of a special and complex subject matter, procedure, or practice, or of the principles of the profession, art, or science involved, and (C) to a considerable extent the exercise of independent judgment; (2) under immediate or general supervision, to perform somewhat difficult work requiring (A) professional, scientific, or technical training equivalent to that represented by graduation from a college or university of recognized standing, (B) previous experience, and (C) to a limited extent, the exercise of independent technical judgment; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–8 includes all classes of positions the duties of which are (1) to perform, under general supervision, very difficult and responsible work along special technical or supervisory lines in office, business, or fiscal administration, requiring (A) considerable specialized or supervisory training and experience, (B) comprehensive and thorough working knowledge of a specialized and complex subject matter, procedure, or practice, or of the principles of the profession, art, or science involved, and (C) to a considerable extent the exercise of independent judgment; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–9 includes all classes of positions the duties of which are (1) to perform, under general supervision, very difficult and responsible work along special technical, supervisory, or administrative lines in office, business, or fiscal administration, requiring (A) somewhat extended specialized training and considerable specilized, supervisory, or administrative experience which has demonstrated capacity for sound independent work, (B) thorough and fundamental knowledge of a special and complex subject matter, or of the profession, art, or science involved, and (C) considerable latitude for the exercise of independent judgment; (2) with considerable latitude for the exercise of independent judgment, to perform moderately difficult and responsible work, requiring (A) professional, scientific, or technical training equivalent to that represented by graduation from a college or university of recognized standing, and (B) considerable additional professional, scientific, or technical training or experience which has demonstrated capacity for sound independent work; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–10 includes all classes of positions the duties of which are (1) to perform, under general supervision, highly difficult and responsible work along special technical, supervisory, or administrative lines in office, business, or fiscal administration, requiring (A) somewhat extended specialized, supervisory, or administrative training and experience which has demonstrated capacity for sound independent work, (B) thorough and fundamental knowledge of a specialized and complex subject matter, or of the profession, art, or science involved, and (C) considerable latitude for the exercise of independent judgment; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–11 includes all classes of positions the duties of which are (1) to perform, under general administrative supervision and with wide latitude for the exercise of independent judgment, work of marked difficulty and responsibility along special technical, supervisory, or administrative lines in office, busi-

ness, or fiscal administration, requiring (A) extended specialized, supervisory, or administrative training and experience which has demonstrated important attainments and marked capacity for sound independent action or decision, and (B) intimate grasp of a specialized and complex subject matter, or of the profession, art, or science involved, or of administrative work of marked difficulty; (2) with wide latitude for the exercise of independent judgment, to perform responsible work of considerable difficulty requiring somewhat extended professional, scientific, or technical training and experience which has demonstrated important attainments and marked capacity for independent work; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–12 includes all classes of positions the duties of which are (1) to perform, under general administrative supervision, with wide latitude for the exercise of independent judgment, work of a very high order of difficulty and responsibility along special technical, supervisory, or administrative lines in office, business, or fiscal administration, requiring (A) extended specialized, supervisory, or administrative training and experience which has demonstrated leadership and attainments of a high order in specialized or administrative work, and (B) intimate grasp of a specialized and complex subject matter or of the profession, art, or science involved; (2) under general administrative supervision, and with wide latitude for the exercise of independent judgment, to perform professional, scientific, or technical work of marked difficulty and responsibility requiring extended professional, scientific, or technical training and experience which has demonstrated leadership and attainments of a high order in professional, scientific, or technical research, practice, or administration; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–13 includes all classes of positions the duties of which are (1) to perform, under administrative direction, with wide latitude for the exercise of independent judgment, work of unusual difficulty and responsibility along special technical, supervisory, or administrative lines, requiring extended specialized, supervisory, or administrative training and experience which has demonstrated leadership and marked attainments; (2) to serve as assistant head of a major organization involving work of comparable level within a bureau; (3) to perform, under administrative direction, with wide latitude for the exercise of independent judgment, work of unusual difficulty and responsibility requiring extended professional, scientific, or technical training and experience which has demonstrated leadership and marked attainments in professional, scientific, or technical research, practice, or administration; or (4) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–14 includes all classes of positions the duties of which are (1) to perform under general administrative direction, with wide latitude for the exercise of independent judgment, work of exceptional difficulty and responsibility along special technical, supervisory, or administrative lines which has demonstrated leadership and unusual attainments; (2) to serve as head of a major organization within a bureau involving work of comparable level; (3) to plan and direct or to plan and execute major professional, scientific, technical, administrative, fiscal, or other specialized programs, requiring extended training and experience which has demonstrated leadership and unusual attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (4) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–15 includes all classes of positions the duties of which are (1) to perform, under general administrative direction, with very wide latitude for the exercise of independent judgment, work of outstanding difficulty and responsibility along special technical supervisory, or administrative lines which has demonstrated leadership and exceptional attainments; (2) to serve as head of a major organization within a bureau involving work of comparable level; (3) to plan and direct or to plan and execute specialized programs of marked difficulty, responsibility, and national significance, along professional, scientific, technical, administrative, fiscal, or other lines, requiring extended training and experience which has demonstrated leadership and unusual attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (4) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–16 includes all classes of positions the duties of which are (1) to perform, under general administrative direction, with unusual latitude for the exercise of independent judgment, work of outstanding difficulty and responsibility along special technical, supervisory, or administrative lines which has demonstrated leadership and exceptional attainments; (2) to serve as the head of a major organization involving work of comparable level; (3) to plan and direct or to plan and execute professional, scientific, technical, administrative, fiscal, or other specialized programs of unusual difficulty, responsibility, and national significance, requiring extended training and experience which has demonstrated leadership and exceptional attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (4) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–17 includes all classes of positions the duties of which are (1) to serve as the head of a bureau where the position, considering the kind and extent of the authorities and responsibilities vested in it, and the scope, complexity, and degree of difficulty of the activities carried on, is of a high order among the whole group of positions of heads of bureaus; (2) to plan and direct or to plan and execute professional, scientific, technical, administrative, fiscal, or other specialized programs of exceptional difficulty, responsibility, and national significance, requiring extended training and experience which has demonstrated exceptional leadership and attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (3) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–18 includes all classes of positions the duties of which are (1) to serve as the head of a bureau where the position, considering the kind and extent of the authorities and responsibilities vested in it, and the scope, complexity, and degree of difficulty of the activities carried on, is exceptional and outstanding among the whole group of positions of heads of bureaus; (2) to plan and direct or to plan and execute frontier or unprecedented professional, scientific, technical, administrative, fiscal, or other specialized programs of outstanding difficulty, responsibility, and national significance, requiring extended training and experience which has demonstrated outstanding leadership and attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (3) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

[(b) The Crafts, Protective, and Custodial Schedule shall be divided into ten grades of difficulty and responsibility of work, as follows:

[CRAFTS, PROTECTIVE, AND CUSTODIAL SCHEDULE

[Grade CPC–1 includes all classes of positions the duties of which are to run errands, to check parcels, or to perform other light manual tasks with little or no responsibility.

[Grade CPC–2 includes all classes of positions the duties of which are to handle desks, mail sacks, and other heavy objects, and to perform similar work ordinarily required of unskilled laborers; to pass coal; to clean office rooms; to perform regular messenger work with little responsibility; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–3 includes all classes of positions the duties of which are to perform, under immediate supervision, custodial, or office labor work with some degree of responsibility; to operate paper-cutting, canceling, envelope-opening, or envelope-sealing machines; to fire and keep up steam in low-pressure boilers used for heating purposes, and to clean boilers and oil machinery and related apparatus; to operate passenger automobiles or light-duty trucks; to pack goods for shipment; to work as leader of a group of charwomen; to perform messenger work and do light manual or office-labor tasks with some responsibility; to carry important documents from one office to another, or attend the door and private office of a public officer; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–4 includes all classes of positions the duties of which are to perform, under general supervision, custodial work of a responsible character; to

guard office or storage buildings; to supervise and direct a force of unskilled laborers; to fire and to keep up steam in high-pressure boilers and to operate other equipment used in connection with such boilers; to perform general, semimechanical, new, or repair work requiring some skill with hand tools; to work as craft or trade helper; to operate heavy-duty trucks, semitrailers, or tractor trailers; to operate a passenger automobile for a department head or officer of comparable rank; to attend the door of a private office of a department head or officer of comparable rank; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–5 includes all classes of positions the duties of which are to guard property of great value while in transit; to supervise the operation and maintenance of a low-capacity heating plant and its auxiliary equipment; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–6 includes all classes of positions the duties of which are to have immediate direction of a detachment of building guards; to perform the work of a skilled mechanic; to repair office appliances; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–7 includes all classes of positions the duties of which are to assist in the general supervision of a force of building guards; to work as leader of a group of skilled mechanics; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–8 includes all classes of positions the duties of which are to have general supervision over a force of building guards; to supervise the operation of a mechanical shop; to direct skilled mechanics and other employees engaged in the operation and maintenance of equipment providing heating, ventilating, air conditioning, power, and sanitation in one or more public buildings; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–9 includes all classes of positions the duties of which are to direct supervisory and office assistants, mechanics, guards, elevator operators, laborers, janitors, and other employees engaged in the custody, maintenance, and protection of a public building; or to assist in the direction of such employees when engaged in similar duties in a group of buildings; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–10 includes all classes of positions the duties of which are to direct supervisory and office assistants, mechanics, guards, elevator operators, laborers, janitors, and other employees engaged in the custody, maintenance, and protection of a group of public buildings; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.]

SEC. 603. [(a) Except as provided in subsection (c) (2), the rates of basic compensation with respect to officers, employees, and positions to which this Act applies shall be in accordance with the schedules of per annum rates contained in subsections (b) and (c) (1).] *(a) The rates of basic compensation with respect to officers, employees, and positions to which this Act applies shall be in accordance with the compensation schedule contained in subsection (b).*

(b) The compensation schedule for the General Schedule shall be as follows:

Grade	Per annum rates						
GS–1	$2,500	$2,580	$2,660	$2,740	$2,820	$2,900	$2,980
GS–2	2,750	2,830	2,910	2,990	3,070	3,150	3,230
GS–3	2,950	3,030	3,110	3,190	3,270	3,350	3,430
GS–4	3,175	3,255	3,335	3,415	3,495	3,575	3,655
GS–5	3,410	3,535	3,660	3,785	3,910	4,035	4,160
GS–6	3,795	3,920	4,045	4,170	4,295	4,420	4,545
GS–7	4,205	4,330	4,455	4,580	4,705	4,830	4,955
GS–8	4,620	4,745	4,870	4,995	5,120	5,245	5,370
GS–9	5,060	5,185	5,310	5,435	5,560	5,685	5,810
GS–10	5,500	5,625	5,750	5,875	6,000	6,125	6,250
GS–11	5,940	6,140	6,340	6,540	6,740	6,940	
GS–12	7,040	7,240	7,440	7,640	7,840	8,040	
GS–13	8,360	8,560	8,760	8,960	9,160	9,360	
GS–14	9,600	9,800	10,000	10,200	10,400	10,600	
GS–15	10,800	11,050	11,300	11,550	11,800		
GS–16	12,000	12,200	12,400	12,600	12,800		
GS–17	13,000	13,200	13,400	13,600	13,800		
GS–18	14,800						

[(c) (1) The compensation schedule for the Crafts, Protective, and Custodial Schedule shall be as follows:

[Grade	Per annum rates						
CPC-1	$1,810	$1,870	$1,930	$1,990	$2,050	$2,110	$2,170
CPC-2	2,420	2,490	2,560	2,630	2,700	2,770	2,840
CPC-3	2,552	2,632	2,712	2,792	2,872	2,952	3,032
CPC-4	2,750	2,830	2,910	2,990	3,070	3,150	3,230
CPC-5	2,974	3,054	3,134	3,214	3,294	3,374	3,454
CPC-6	3,200	3,280	3,360	3,440	3,520	3,600	3,680
CPC-7	3,435	3,535	3,635	3,735	3,835	3,935	4,035
CPC-8	3,740	3,865	3,990	4,115	4,240	4,365	4,490
CPC-9	4,150	4,275	4,400	4,525	4,650	4,775	4,900
CPC-10	4,565	4,690	4,815	4,940	5,065	5,190	5,315

[(2) Charwomen working part time shall be paid at the rate of $2,700 per annum, and head charwomen working part time at the rate of $2,840 per annum.]

[(d)] (c) Whenever payment is made on the basis of a daily, hourly, weekly, biweekly, or monthly rate, such rate shall be computed from the appropriate annual rate specified in subsection (b) [or (e)] by the method prescribed in section 604 (d) of the Federal Employees Pay Act of [1945] *1945, as amended.*

[SEC. 604. (a) For the purpose of making initial adjustments to the classification grades provided in this Act, positions which are required to be compensated in accordance with this Act and which were immediately prior to the effective date of this title in the professional and scientific service, the subprofessional service, the clerical, administrative, and fiscal service, or the crafts, protective and custodial service of the Classification Act of 1923, as amended, are hereby allocated to corresponding grades of the General Schedule or the Crafts, Protective, and Custodial Schedule as set forth below:

Service and grade of the Classification Act of 1923, as amended				Corresponding new grade	
Professional and scientific service	Subprofessional service	Clerical, administrative, and fiscal service	Crafts, protective, and custodial service	General schedule	Crafts, protective, and custodial schedule
	1			GS-1	
	2	1		GS-1	
	3	2		GS-2	
	4	3		GS-3	
	5	4		GS-4	
1	6	5		GS-5	
	7	6		GS-6	
2	8	7		GS-7	
		8		GS-8	
3		9		GS-9	
		10		GS-10	
4		11		GS-11	
5		12		GS-12	
6		13		GS-13	
7		14		GS-14	
8		15		GS-15	
			1		CPC-1
			2		CPC-2
			3		CPC-3
			4		CPC-4
			5		CPC-5
			6		CPC-6
			7		CPC-7
			8		CPC-8
			9		CPC-9
			10		CPC-10

[(b) The rates of basic compensation of officers and employees to whom this Act applies shall be initially adjusted as follows:

[(1) In all cases where the number of pay rates within a grade specified in this Act is the same as in the corresponding grade of the Classification Act of 1923, as amended, employees shall have the same relative pay rate of the new grade, except as provided in paragraphs (2), (3), and (11) of this subsection.

[(2) Employees in grade 1 of the subprofessional service immediately prior to the effective date of this title, at the first, second, third, fourth, fifth, sixth,

and seventh rate shall have the first, first, second, third, fourth, fifth, and sixth rate, respectively, of grade 1 of the General Schedule.

[(3) Employees in grade 2 of the subprofessional service immediately prior to the effective date of this title, at the first, second, third, fourth, fifth, sixth, and seventh rate shall have the second, third, fourth, fifth, sixth, seventh, and seventh rate, respectively, of grade 1 of the General Schedule.

[(4) Employees in grade 1 of the crafts, protective, and custodial service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, third, fourth, sixth, and seventh rate, respectively, of grade 1 of the Crafts, Protective, and Custodial Schedule.

[(5) Employees in grades 2 and 3 of the crafts, protective, and custodial service immediately prior to the effective date of this title, shall have the same relative pay rate of the first six rates of grades 2 and 3, respectively, of the Crafts, Protective, and Custodial Schedule.

[(6) Employees in grade 4 of the professional and scientific service and grade 11 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fourth, and sixth rate, respectively, of grade 11 of the General Schedule.

[(7) Employees in grade 5 of the professional and scientific service and grade 12 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fourth, and fifth rate, respectively, of grade 12 of the General Schedule.

[(8) Employees in grade 6 of the professional and scientific service and grade 13 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fourth, and fifth rate, respectively, of grade 13 of the General Schedule.

[(9) Employees in grade 7 of the professional and scientific service and grade 14 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fifth, and sixth rate, respectively, of grade 14 of the General Schedule.

[(10) Employees in grade 8 of the professional and scientific service and grade 15 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first and second rate of the grade shall have the third rate of grade 15 of the General Schedule.

[(11) Employees receiving a rate of basic compensation, authorized by law, immediately prior to the effective date of this title, in excess of the appropriate new rate of the grade as determined under paragraphs (1) to (10), inclusive, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this Act.]

Sec. 604. Employees receiving basic compensation at a rate authorized by law, immediately prior to the effective date of this title, in excess of the appropriate new rate of the grade as determined under paragraphs (1) to (10), inclusive, of section 604 (b) of this act, as in effect prior to the date of enactment of the Classification Act Amendments of 1954, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of the grade as determined under paragraphs (1) to (10), inclusive, of section 604 (b) of this act, as in effect prior to the date of enactment of the Classification Act Amendments of 1954, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this act.

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TITLE VII—STEP-INCREASES

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[Sec. 702. (a) Within the limit of available appropriations and in accordance with standards promulgated by the Commission, each department is authorized, subject to prior approval by the Commission (except as provided in subsection (b)), to make additional step-increases as a reward for superior accomplishment, but no officer or employee shall be eligible for more than one such additional step-increase within each of the time periods specified in section 701.

[(b) The Commission is authorized to delegate to any department the authority to make the additional step-increases provided for in this section, without prior approval in individual cases by the Commission. The Commission may withdraw or suspend such authority whenever review of such actions by the Commission indicates that standards promulgated by the Commission have not been observed, and may restore such authority whenever it is satisfied that subsequent actions will be taken in conformance with such standards.

[(c) Each department shall report to the Commission all actions taken under this section, together with the reasons therefor. The Commission shall submit an annual report to Congress covering the numbers and types of actions taken under this section.]

SEC. 703. (a) Subject to subsection (b), and as a reward for long and faithful service, each department shall grant an additional step-increase (to be known as a longevity step-increase) beyond the maximum scheduled rate of the grade in which his position is placed, to each officer or employee for each three years of continuous service completed by him at such maximum rate or at a rate in excess thereof authorized by this section without [change of] *increase in* grade or rate of basic compensation except such [change] *increase* as may be prescribed by any provision of law of general application. Officers and employees who are otherwise eligible shall receive full credit under this subsection for service at the maximum authorized salary rate specified in the Bacharach Act of May 29, 1928, as amended and supplemented, and the Reed-Jenkins Act of May 29, 1928, as amended, to the same extent as if such service had been at the maximum rate of a grade of the Classification Act of 1923, as amended.

(b) (1) No officer or employee shall be entitled to a longevity step-increase while holding a position in any grade above grade [10] *15* of the General Schedule.

(2) No officer or employee shall receive a longevity step-increase unless his current efficiency rating is "satisfactory" or better.

(3) No officer or employee shall receive more than one longevity step-increase for any three years of continuous service.

(4) Each longevity step-increase shall be equal to one step-increase of the grade in which the position of the officer or employee is placed.

(5) Not more than three successive longevity step-increases may be granted to any officer or employee.

(6) The officer or employee shall have had, in the aggregate, not less than ten years of service in the position which he then occupies, or in positions of equivalent or higher class or grade.

(c) When an officer or employee, receiving basic compensation at a rate in excess of the maximum scheduled rate for his grade under [section 604 (b) (11), section 1105 (b)] *section 604 or section 1105 (b) of this Act, or section 103 (b) (4) of the Classification Act Amendments of 1954*, or any other provision of law, is eligible for his first longevity step-increase beyond the maximum rate of such grade he shall—

(1) receive total basic compensation which is equal to the basic compensation at the maximum scheduled rate for his grade plus such first longevity step-increase, or

(2) continue to receive compensation at such rate in excess of the maximum scheduled rate for his grade, if the compensation at such rate is higher than the total basic compensation specified in paragraph (1).

In case any such officer or employee receiving compensation under paragraph (2) is eligible for a subsequent successive longevity step-increase, he shall—

(A) receive the same total basic compensation which he would be entitled to receive after such subsequent longevity step-increase, if his total basic compensation had, at the time he was eligible for his first longevity step-increase, been determined under paragraph (1), or

(B) continue to receive compensation under paragraph (2) if such compensation is higher than the total basic compensation specified in paragraph (A).

SEC. 704. In computing length of service for the purposes of this title, service immediately preceding the effective date of this title shall be counted toward (1) one step-increase under section 701 and one additional step-increase under section 702, or (2) longevity step-increases under section 703, as the case may be. *Service immediately preceding the date of enactment of the Classification Act Amendments of 1954 shall be counted toward longevity step-increases under section 703 in the case of persons in grades 11 to 15, inclusive, who on such date are receiving compensation at the maximum scheduled rates for their respective grades.*

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TITLE VIII—GENERAL COMPENSATION RULES

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SEC. 802. (a) The rate of basic compensation to be received by any officer or employee to whom this Act applies shall be governed by regulations issued by the Commission in conformity with this Act when—

(1) he is transferred from a position to which this Act does not apply;

(2) he is transferred from any position to which this Act applies to another such position;

(3) he is demoted to a position in a lower grade;

(4) he is reinstated, reappointed, or reemployed;

(5) his type of appointment is changed;

(6) his employment status is otherwise changed; or

(7) his position is changed from one grade to another grade.

(b) Any officer or employee who is promoted or transferred to a position in a higher grade shall receive basic compensation at the lowest rate of such higher grade which exceeds his existing rate of basic compensation by not less than one step-increase of the grade from which he is promoted or transferred. If, in the case of any officer or employee so promoted or transferred who is receiving (1) one or more longevity step-increases under section 703, or (2) basic compensation at a rate in excess of the maximum scheduled rate for his grade under [section 604 (b)(11), section 1105 (b)] *section 604 or section 1105 (b) of this Act or section 103 (b) (4) of the Classification Act Amendments of 1954*, or any other provision of law, there is no rate in such higher grade which is at least one step-increase above his existing rate of basic compensation, he shall receive (A) the maximum scheduled rate of such higher grade, or (B) his existing rate of basic compensation, if such existing rate is the higher.

[SEC. 803. The Commission shall make a study of the problem of additional compensation for hazardous employments and submit a report to Congress not later than one year from the date of enactment of this Act, setting forth its findings and such recommendations as it may deem advisable for a future policy and plan with respect to additional compensation for hazardous employments.]

SEC. 803. (a) Whenever the Commission shall find (1) that a sufficient number of qualified eligibles for positions in a given class cannot be secured in one or more areas or locations at the existing minimum rate for such class, and (2) that there is a possibility that a sufficient number of such eligibles can be secured by increasing the minimum rate for such class in such areas or locations to one of the higher rates within the grade in which such class is placed, the Commission may establish such higher rate as the minimum rate for that class in each area or location concerned.

(b) Minimum rates established under subsection (a) may be revised from time to time by the Commission. Such actions or revisions shall have the force and effect of law.

(c) Any increase in rate of basic compensation resulting from the establishment of new minimum rates under this section shall not be regarded as an "equivalent increase" in compensation within the meaning of title VII.

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TITLE X—MANAGEMENT IMPROVEMENT PLAN AND AWARDS

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[SEC. 1002. (a) In each department there shall be established an Efficiency Awards Committee, the membership of which shall be designated by the head of the department.

[(b) It shall be the duty of the Efficiency Awards Committee (1) to identify those supervisors and employees within the department whose superior accomplishments have contributed to outstanding efficiency and economy in administration, and (2) to award to such supervisors and employees, subject to the approval of the head of the department and to the limitations of subsection (c), cash awards or increases in rates of basic compensation which, in the judgment of the Committee, are commensurate with their demonstrated superior accomplishments: *Provided, however*, That the total amount of such awards or increases to any group of supervisors and employees shall not exceed 25 per centum of the estimated saving to the Government due to their superior accomplishments.

[(c) Any such cash award or any such increase in rate of basic compensation shall not exceed an amount equal to three times the step-increase of the applicable grade. Any such increase in rate of basic compensation shall be at one, two, or three times the step-increase of the applicable grade and shall be in lieu of any

additional compensation as a reward for superior accomplishment under section 702.

[(d) An award under this title shall be given due weight in qualifying and selecting employees for promotion to positions in higher grades.

[SEC. 1003. The Bureau of the Budget shall maintain control of the program set forth in this title and shall annually report the results of such program to Congress, with such recommendations as it may deem advisable.]

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FEDERAL EMPLOYEES PAY ACT OF 1945, AS AMENDED

TITLE I—COVERAGE AND EXEMPTIONS

COVERAGE

SEC. 101. (a) Subject to the exemptions specified in section 102 of this Act, titles [II and III] *II, III, and IV* of this Act shall apply (1) to all civilian officers and employees in or under the executive branch of the Government, including Government-owned or controlled corporations, and in or under the District of Columbia municipal government, and (2) to those officers and employees of the judicial branch of the Government, the Library of Congress, the Botanic Garden, and the Office of the Architect of the Capitol who occupy positions subject to the Classification Act of 1923, as amended.

[(b) Title IV of this Act shall apply to officers and employees who occupy positions subject to the Classification Act of 1923, as amended.]

(c) Subject to the exemptions specified in section 102 of this Act, title V of this Act shall apply to officers and employees in or under the legislative or the judicial branch of the Government whose compensation is not fixed in accordance with the Classification Act of 1923, as amended, and to the official reporters of proceedings and debates of the Senate and their employees.

(d) Subject to the exemptions specified in section 102 of this Act, title VI of this Act (containing miscellaneous provisions) shall apply to civilian officers and employees of the Government according to the terms thereof.

(e) All provisions of this Act applicable to the executive branch of the Government shall be applicable to the General Accounting Office.

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EXEMPTIONS

SEC. 102. (a) * * *

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(c) This Act, except sections [203] *205* and 607, shall not apply to employees whose basic compensation is fixed and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose.

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TITLE II—COMPENSATION FOR OVERTIME

OVERTIME PAY

[SEC. 201. Officers and employees to whom this title applies shall, in addition to their basic compensation, be compensated for all hours of employment, officially ordered or approved, in excess of forty hours in any administrative workweek, at overtime rates as follows:

[(a) For employees whose basic compensation is at a rate less than $2,980 per annum, the overtime hourly rate shall be one and one-half times the basic hourly rate of compensation: *Provided*, That in computing such overtime compensation for per annum employees, the basic hourly rate of compensation shall be determined by dividing the per annum rate by two thousand and eighty.

[(b) For employees whose basic compensation is at a rate of $2,980 per annum or more, the overtime hourly rate shall be in accordance with and in proportion to the following schedule:

Basic rate of compensation per annum	Overtime rate of compensation per 416 overtime hours
$2,980	$894. 000
3,090	885. 554
3,200	877. 108
3,310	868. 662
3,420	860. 216
3,530	851. 770
3,640	843. 324
3,750	834. 878
3,860	826. 432
3,970	817. 986
4,080	809. 540
4,190	801. 094
4,300	792. 648
4,410	784. 202
4,520	775. 756
4,630	767. 310
4,740	758. 864
4,960	741. 972
5,180	725. 080
5,390	708. 955
5,600	692. 831
5,810	676. 707
6,020	660. 583
6,230	644. 458
6,440 and over	628. 334]

Sec. 201. All hours of work officially ordered or approved in excess of forty hours in any administrative workweek performed by officers or employees to whom this title applies shall be considered to be overtime work and compensation for such overtime work, except as otherwise provided for in this Act, shall be at the following rates:

(a) For officers and employees whose basic compensation is at a rate which does not exceed the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to one and one-half times the hourly rate of such officer's or employee's basic compensation, and all of such amounts shall be considered premium compensation.

(b) For officers and employees whose basic compensation is at a rate which exceeds the maximum scheduled rate of basic compensotion provided for grade GS–9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to one and one-half times the hourly rate of such maximum rate, and all of such amount shall be considered premium compensation.

COMPENSATORY TIME OFF FOR IRREGULAR OR OCCASIONAL OVERTIME WORK

[Sec. 202. (a) The heads of departments, or of independent establishments or agencies, including Government-owned or controlled corporations, and of the District of Columbia municipal government, and the heads of legislative or judicial agencies to which this title applies, may by regulation provide for the granting of compensatory time off from duty, in lieu of overtime compensation for irregular or occasional duty in excess of forty hours in any regularly scheduled administrative workweek, to those per annum employees requesting such compensatory time off from duty.]

Sec. 202. (a) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, or the municipal government of the District of Columbia (1) may, at the request of any officer or employee, grant such officer or employee compensatory time off from his scheduled tour of duty in lieu of payment for an equal amount of time spent in irregular or occasional overtime work, and (2) may, at his own discretion, provide that any officer or employee, whose rate of basic compensation is in excess of the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, shall be compensated for irregular or occasional overtime work for which compensation would be

due under this Act with not more than an equal amount of compensatory time off from his scheduled tour of duty in lieu of such compensation.

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CALL-BACK OVERTIME

SEC. 203. For the purposes of this Act, any unscheduled overtime work performed by any officer or employee on a day when no work was scheduled for him, or for which he is required to return to his place of employment, shall be considered to be at least two hours in duration.

TIME IN TRAVEL STATUS

SEC. 204. For the purpose of this Act, time spent in a travel status away from the official-duty station of any officer or employee shall be considered as hours of employment only when (a) within the days and hours of such officer's or employee's regularly scheduled administrative workweek, including regularly scheduled overtime hours, or (b) when the travel involves the performance of work while traveling or is carried out under arduous conditions.

SEC. [203] *205.* Employees whose basic rate of compensation is fixed on an annual or monthly basis and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose shall be entitled to overtime pay in accordance with the provisions of section 23 of the Act of March 28, 1934 (U. S. C., 1940 edition, title 5, sec. 673c). The rate of compensation for each hour of overtime employment of any such employee shall be computed as follows:

(a) If the basic rate of compensation of the employee is fixed on an annual basis, divide such basic rate of compensation by two thousand and eighty and multiply the quotient by one and one-half; and

(b) If the basic rate of compensation of the employee is fixed on a monthly basis, multiply such basic rate of compensation by twelve to derive a basic annual rate of compensation, divide such basic annual rate of compensation by two thousand and eighty, and multiply the quotient by one and one-half.

TITLE III—COMPENSATION FOR NIGHT AND HOLIDAY WORK

NIGHT PAY DIFFERENTIAL

[SEC. 301. (a) Any officer or employee to whom this title applies who is assigned to a regularly scheduled tour of duty, any part of which, including overtime, falls between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian, shall, for duty between such hours, excluding periods when he is in a leave status, be paid compensation at a rate 10 per centum in excess of his rate of basic compensation for duty between other hours: *Provided*, That such differential for night duty shall not be included in computing any overtime compensation to which the officer or employee may be entitled: *And provided further*, That this section shall not operate to modify the provisions of the Act of July 1, 1944 (Public Law Numbered 394, Seventy-eighth Congress), or any other law authorizing additional compensation for night work.]

SEC. 301. (a) Any regularly scheduled work between the hours of six o'clock postmeridian and six o'clock antemeridian (including periods of absence with pay during such hours due to holidays, and any such hours within periods of leave with pay if such periods total less than eight hours during any pay period) shall be considered night work, except as provided in subsection (b), and any officer or employee performing such work to whom this title applies shall be compensated for it at his rate of basic compensation plus premium compensation amounting to 10 per centum of such rate, unless otherwise provided in this Act, and except that this section shall not operate to modify the provisions of the Act of July 1, 1944 (Public Law Numbered 394, Seventy-eighth Congress), or any other law authorizing additional compensation for nightwork.

(b) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, may designate any time after six o'clock postmeridian and any time before six o'clock antemeridian as the beginning and end, respectively, of nightwork for the purpose of subsection (a) at any post outside the several States and the District of Columbia where customary hours of business extend into the hours of nightwork provided by such subsection.

[SEC. 302. Any officer or employee to whom this title applies who is assigned to duty on a holiday designated by Federal statute or Executive order during hours which fall within his basic administrative workweek of forty hours shall be compensated for not to exceed eight hours of such duty, excluding periods when he

is in a leave status, in lieu of his regular rate of basic compensation for such duty, at the rate of twice such regular rate of basic compensation, in addition to any extra compensation for night duty provided by section 301 of this Act: *Provided*, That extra holiday compensation paid under this section shall not serve to reduce the amount of overtime compensation to which the employee may be entitled under this or any other Act during the administrative workweek in which the holiday occurs, but such extra holiday compensation shall not be considered to be a part of the basic compensation for the purpose of computing such overtime compensation. This section shall take effect upon the cessation of hostilities in the present war as proclaimed by the President, or at such earlier time as the Congress by concurrent resolution may prescribe. Prior to so becoming effective, it shall be effective with respect to any designated holiday only if the President has declared that such day shall not be generally a workday in the Federal service.]

Sec. 302. (a) All work not exceeding eight hours, which is not overtime work as defined in section 201 of this Act and which is performed on a holiday designated by Federal statute or Executive order, shall be compensated at the rate of basic compensation of the officer or employee performing such work on a holiday plus premium compensation at a rate equal to such officer's or employee's rate of basic compensation. Any officer or employee who is required to perform any work on such a holiday shall be compensated for at least two hours of such work, and any such premium compensation due under the provisions of this section shall be in addition to any premium compensation which may be due for the same work under the provisions of section 301 of this Act providing premium compensation for nightwork.

(b) Overtime work, as defined in section 201 of this Act, on Sundays and such holidays shall be compensated in accordance with the provisions of such section 201.

TITLE IV—SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK

Sec. 401. (a) Any officer or employee of any department, independent establishment, or agency (including Government-owned corporations), or the municipal Government of the District of Columbia, in a position requiring him to regularly remain at, or within the confines of, his station during longer than ordinary periods of duty, a substantial part of which consists of remaining in a standby status rather than performing work, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this Act. Premium compensation under this subsection shall be determined by the head of the department, establishment, or agency, with the approval of the Civil Service Commission, as an appropriate percentage (not in excess of 25 per centum) of such part of the basic compensation for any such position as does not exceed the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, by taking into consideration the number of hours of actual work required in such positions, the number of hours required in a standby status at or within the confines of the station, the extent to which the duties of such position are made more onerous by night or holiday work, or by being extended over periods of more than forty hours a week, and any other relative factors.

(b) Any such officer or employee in a position in which the hours of duty cannot be controlled administratively, and which requires substantial amounts of irregular, unscheduled, overtime duty, and duty at night and on holidays with the officer or employee generally being responsible for recognizing, without supervision, circumstances which require him to remain on duty, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this Act, except for regularly scheduled overtime duty. Premium compensation under this subsection shall be determined by the head of the department, establishment, or agency, with the approval of the Civil Service Commission, as an appropriate percentage (not in excess of 15 per centum) of such part of the rate of basic compensation for any such position as does not exceed the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, by taking into consideration the frequency and duration of night, holiday, and unscheduled overtime duty required in such position.

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TITLE VI—MISCELLANEOUS PROVISIONS

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[LIMITATIONS ON REDUCTIONS AND INCREASES IN COMPENSATION

[SEC. 603. (a) The aggregate per annum rate of compensation with respect to any pay period, in the case of any full-time employee in the service on July 1, 1945, (1) who was a full-time employee on June 30, 1945, (2) whose per annum basic rate of compensation on June 30, 1945, did not exceed a rate of $1,800 per annum, and (3) whose compensation is fixed in accordance with the provisions of the Classification Act of 1923, as amended, or the Act entitled "An Act to adjust the compensation of certain employees in the Customs Service", approved May 29, 1928, as amended, shall not, under the rates of compensation established by this Act, so long as he continues to occupy the position he occupied on June 30, 1945, be less than his per annum basic rate of compensation on such date, plus the rate of $300 per annum or 25 per centum of such per annum basic rate of compensation, whichever is the smaller amount.

[(b) Notwithstanding any other provision of this Act, no officer or employee shall, by reason of the enactment of this Act, or any amendment thereto, be paid, with respect to any pay period, basic compensation, or basic compensation plus any additional compensation provided by this Act, at a rate in excess of $10,330 per annum, except that (1) any officer or employee who was receiving overtime compensation on June 30, 1945, and whose aggregate rate of compensation on such date was in excess of $10,000 per annum may receive overtime compensation at such rate as will not cause his aggregate rate of compensation for any pay period to exceed the aggregate rate of compensation he was receiving on June 30, 1945, until he ceases to occupy the office or position he occupied on such date or until the overtime hours of work in his administrative workweek are reduced by action of the head of his department or independent establishment or agency, or Government owned or controlled corporation, and when such overtime hours are reduced such rate of overtime compensation shall be reduced proportionately, and (2) any officer or employee who, because of the receipt of additional compensation in lieu of overtime compensation, was receiving aggregate compensation at a rate in excess of $10,000 per annum on June 30, 1945, may continue to receive such rate of aggregate compensation so long as he continues to occupy the office or position he occupied on such date but in no case beyond June 30, 1947.]

LIMITATION ON PREMIUM COMPENSATION

SEC. 603. No premium compensation provided by this Act shall be paid to any officer or employee whose rate of basic compensation exceeds the maximum scheduled rate of basic compensation provided for grade GS–15 in the Classification Act of 1949, as amended, or when any such premium compensation would cause such officer's or employee's rate of compensation, including basic compensation and premium compensation provided by this Act, to exceed such maximum rate with respect to any pay period.

ESTABLISHMENT OF BASIC WORKWEEK; *WORK SCHEDULES;* PAY COMPUTATION METHODS

SEC. 604. (a) (*1*) It shall be the duty of the heads of the several departments and independent establishments and agencies in the executive branch, including Government-owned or controlled corporations, and the District of Columbia municipal government, to establish as of the effective date of this Act, for all full-time officers and employees in their respective organizations, in the departmental and the field services, a basic administrative workweek of forty hours, and to require that the hours of work in such workweek be performed within a period of not more than six of any seven consecutive days.

(*2*) *The head of each such department, establishment, and agency and the municipal government of the District of Columbia shall provide with respect to all officers and employees in his respective organization, except where he determines that such organization would be seriously handicapped in carrying out its functions or that costs would be substantially increased, that (A) assignments to tours of duty shall be scheduled in advance over periods of not less than one week, (B) the basic workweek shall be forty hours, (C) such forty hours shall be scheduled on five days, which shall be Monday through Friday wherever possible, and the two days outside the basic workweek shall be consecutive, (D) the working hours in each day in the basic workweek*

shall be the same, (E) the basic nonovertime workday shall not exceed eight hours, (F) the occurrence of holidays shall not affect the designation of the basic workweek, and (G) breaks in working hours of more than one hour shall not be scheduled in any basic workday.

* * * * * * *

AN ACT To authorize certain administrative expenses in the Government service, and for other purposes (60 Stat. 809; 5 U. S. C. 116a)

* * * * * * *

[SEC. 14. The head of each department is authorized, under such rules and regulations as the President may prescribe, to pay cash awards to civilian officers and employees (or to their estates) who make meritorious suggestions which will result in improvement or economy in the operations of his department and which have been adopted for use and to incur necessary expenses for the honorary recognition of exceptional or meritorious service: *Provided*, That no award shall be paid to any officer or employee for any suggestion which represents a part of the normal requirements of the duties of his position. With the exception of the War and Navy Departments, the amount of any one award shall not exceed $1,000 and the total of cash awards paid during any fiscal year in any department shall not exceed $25,000. Payments may be made from the appropriation for the activity primarily benefiting or may be distributed among appropriations for activities benefiting as the head of the department determines. A cash award shall be in addition to the regular compensation of the recipient and the acceptance of such cash award shall constitute an agreement that the use by the United States of the suggestion for which the award is made shall not form the basis of a further claim of any nature upon the United States by him, his heirs or assigns.

[All other Acts or parts of Acts in conflict with the provisions of this section are hereby repealed.]

* * * * * * *

AN ACT Authorizing payments of rewards to postal employees for inventions (59 Stat. 591)

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Postmaster General is authorized, under such rules and regulations as he may prescribe, to pay a cash reward for any invention, suggestion, or series of suggestions submitted by one or more employees of the Post Office Department or the Postal Service, which will clearly effect a material economy or increase efficiency in the administration or operation of the Post Office Department or the Postal Service, and which has been adopted for use.

[The total amount of rewards made under this Act in any one fiscal year shall not exceed $25,000 and the amount so paid for any one invention, suggestion, or series of suggestions shall not exceed $1,000.

[Rewards made under this Act shall be paid out of the appropriation for the postal activity primarily benefiting, or may be distributed among appropriations for postal activities benefiting, as the Postmaster General may determine. Payments shall be in addition to the regular compensation of the employee receiving the reward. No employee shall be paid a reward under this Act until he has properly executed an agreement to the effect that the use by the United States of the invention, suggestion, or series of suggestions made by him shall not form the basis of a further claim of any nature upon the United States by him, his heirs, or assigns.]

AN ACT Authorizing the Secretary of War to pay a cash award for suggestions submitted by employees of certain establishments of the Ordnance Department for improvement or economy in manufacturing processes or plant (37 Stat. 193; 50 U. S. C. 58)

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of War is hereby authorized to offer periodically at such of the establishments of the Ordnance Department as he may select a cash reward for the suggestion, or series of suggestions, for an improvement or economy in manufacturing processes or plant, submitted within the period by one or more employees of the establishment which shall be deemed the most valuable of those submitted and adopted for use: *Provided*, That to

obtain this reward the winning suggestion must be one that will clearly effect a material economy in production or increase efficiency or enhance the quality of the product in comparison with its cost and in the opinion of the Secretary shall be so worthy as to entitle the employee making the same to receive the reward: *Provided further*, That the sums awarded to employees in accordance with this Act shall be paid them in addition to their usual compensation and shall constitute part of the general or shop expense of the establishment: *Provided further*, That the total amount paid under the provisions of this Act shall not exceed one thousand dollars for any one month: *And provided further*, That no employee shall be paid a reward under this Act until he has properly executed an agreement to the effect that the use by the United States of the suggestion, or series of suggestions, made by him shall not form the basis of a further claim of any nature upon the United States by him, his heirs, or assigns, and that application for patent has not been made for the invention.]

AN ACT To provide equitable compensation for useful suggestions or inventions by personnel of the Department of the Interior (58 Stat. 360; 5 U. S. C. 500)

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Interior is authorized to pay cash rewards, subject to such regulations as he shall prescribe, to officers and employees of the Department of the Interior, who, in the course of their employment, and subsequent to November 17, 1942, make suggestions or inventions which are of such a nature that their adoption would result in improved technological or scientific processes or methods, or in improvements in the administration or operations of the Department of Interior. The amount expended for the payment of such rewards during any one fiscal year shall not exceed $20,000 in the aggregate and shall not exceed $1,000 to any one person, unless a greater amount is specifically appropriated for a named person in an exceptionally meritorious case. For the purposes of this Act, the Secretary of the Interior is authorized and directed to set up in the Department a Board of Awards, the proceedings of which shall be available to the public. Nothing in this Act shall be taken or construed as amending or modifying the present patent and trade-mark laws as they now exist or may hereafter be amended.]

AN ACT To enact certain provisions now included in the Naval Appropriation Act, 1946, and for other purposes (60 Stat. 857; 5 U. S. C. 416)

* * * * * * *

SEC. 35. [(a) The Secretary of the Navy is authorized, in his discretion and under such rules and regulations as he may prescribe, to pay cash rewards to civilian personnel of the Naval Establishment or other persons in civil life when, due to a suggestion or series of suggestions by them, there results an improvement or economy in manufacturing process or plant or naval material, or in efficiency or economy in the operation or administration of the Navy Department or the Naval Establishment. Such sums as may be awarded to employees in accordance with this section shall be paid them out of naval appropriations in addition to their usual compensation. No employee or other person in civil life shall be paid a reward under this section until he has properly executed an agreement to the effect that the use by the United States of the suggestion or series of suggestions made by him shall not form the basis of a further claim of any nature against the United States by him, his heirs, or assigns.

[(b) Except as provided in subsection (a) hereof, civilian personnel of the Naval Establishment shall not be paid any premium or bonus or cash reward in addition to their regular salaries.]

* * * * * * *

JOINT RESOLUTION To provide cash awards to personnel of the Maritime Commission and the War Shipping Administration for useful suggestions to improve administration of their activities (58 Stat. 115; 46 U. S. C. 1111b)

[*Resolved by the Senate and House of Representatives of the United States of America in Congress Assembled*, That the United States Maritime Commission is authorized to pay cash awards for suggestions submitted to it by any of its officers or employees in cases where the suggestion, in the opinion of the Commission or of a committee designated by it, would, if adopted, make for substantially

increased efficiency, economy, or general improvement in carrying out the duties, powers, or functions of the Commission. Such suggestions shall be submitted and such awards shall be made under such rules and regulations as the Commission may prescribe, including provision for transfer to the United States of all rights or interests of the officer or employee in the suggestion. The provisions of this section shall apply in like manner to the War Shipping Administration and its officers and employees, and for the purpose of this section the terms "United States Maritime Commission" and "Commission" shall be deemed to refer to the War Shipping Administration. The total amount of cash awards made under this joint resolution in any fiscal year shall not exceed $5,000 for each such agency, and the amount paid for any one suggestion shall not exceed $250 for any one suggestion, except in case of a patentable idea, it may be not more than $1,000.]

Section 5 (i) of the Act of May 18, 1933

(i) To request the assistance and advice of any officer, agent, or employee of any executive department or of any independent office of the United States, to enable the Corporation the better to carry out its powers successfully, and as far as practicable shall utilize the services of such officers, agents, and employees, and the President shall, if in his opinion, the public interest, service, or economy so require, direct that such assistance, advice, and service be rendered to the Corporation, and any individual that may be by the President directed to render such assistance, advice, and service shall be thereafter subject to the orders, rules, and regulations of the board: *Provided*, That any invention or discovery made by virtue of and incidental to such service by an employee of the Government of the United States serving under this section, or by any employee of the Corporation, together with any patents which may be granted thereon, shall be the sole and exclusive property of the Corporation, which is hereby authorized to grant such licenses thereunder as shall be authorized by the board[: *Provided further*, That the board may pay to such inventor such sum from the income from sale of licenses as it may deem proper].

Section 1310 of the Supplemental Appropriation Act, 1952 (Public Law 253, 82d Cong.)

[Sec. 1310. Immediately upon the enactment of this Act and until termination of the national emergency proclaimed by the President on December 16, 1950:

[(a) The Civil Service Commission and the heads of the executive departments, agencies, and corporations shall make full use of their authority to require that initial appointments to positions in and outside the competitive civil service shall be made on a temporary or indefinite basis in order to prevent increases in the number of permanent personnel of the Federal Government above the total number of permanent employees existing on September 1, 1950: *Provided*, That any position vacated by a permanent employee called to military service or transferred to a national defense agency shall not be filled except on a temporary or indefinite basis. All reinstatements and promotions in the Federal civil service shall be made on a temporary or indefinite basis, and all permanent employees who are transferred from one agency to another shall retain their status as permanent employees in the agency to which transferred at the grade or basic pay level of their permanent positions in the agency from which transferred. All appointments, reinstatements, transfers, and promotions to positions subject to the Classification Act of 1949 shall be made with the condition and notice to each individual appointed, reinstated, transferred, or promoted that the classification grade of the position is subject to post-audit and correction by the appropriate departmental or agency personnel office or the Civil Service Commission. All transfers of permanent employees made on a temporary or indefinite basis since September 1, 1950, shall be changed to a permanent basis as of the effective date of this Act: *Provided*, That such employees shall retain their status as permanent employees in the agency to which transferred at the grade or basic pay level of their permanent positions in the agency from which transferred.

[(b) The Civil Service Commission shall facilitate the transfer of Federal employees from nondefense to defense activities and encourage the retention of employees in defense activities, and shall provide reemployment rights for permanent employees in the activities from which such employees are transferred.

[(c) The Civil Service Commission shall make full use of its authority to prevent excessively rapid promotions in the competitive civil service and to provide correction of improper allocations to higher grades of positions subject to the Classification Act of 1949, as amended. No person in any executive department or agency whose position is subject to the Classification Act of 1949, as amended, shall be promoted or transferred to a higher grade subject to such Act without having served at least one year in the next lower grade: *Provided*, That the Civil Service Commission for positions in the competitive service and the head of the employing agency for positions outside the competitive service may by regulation provide for promotions of two grades in one year (1) to positions not higher than GS–5; (2) to positions not higher than GS–11 which are in a line of work properly classified under the Classification Act of 1949 at two-grade intervals; (3) to positions in the same line of work when the employee has completed a training period under a training program approved by the Civil Service Commission for positions in the competitive service, or approved by the head of the employing agency for positions outside the competitive service; and (4) of an employee of the agency concerned when there is no position in the normal line of promotion in the grade immediately below that of the position to be filled: *Provided further*, That this subsection shall not apply to any case involving an employee who is within reach for appointment to a higher grade position on a competitive civil service register, or being advanced up to a grade level from which he had been demoted or separated because of reduction in force.

[(d) From time to time, but at least annually, each executive department and agency shall (1) review all positions which since September 1, 1950, have been created or placed in a higher grade or level of difficulty and responsibility of work or in a higher basic pay level, (2) abolish all such positions which are found to be unnecessary, (3) with respect to such positions which are found to be necessary, make such adjustments as may be appropriate in the classification grades of those positions which are subject to the Classification Act of 1949, as amended, or in the basic pay levels of those positions which are subject to other pay-fixing authority. Not later than July 31 of each year each department and agency shall submit a report to the Post Office and Civil Service Committees and Appropriations Committees of the Senate and House of Representatives concerning the action taken under this paragraph, together with information comparing the total number of employees on the payroll on June 30 and their average grade and salary with similar information for the previous June 30, and each annual supplemental budget estimate shall include a statement comparing the average grade and salary provided for in each item of appropriation or fund allowance therein with similar figures reported for the two previous periods.]

○

Union Calendar No. 846

83D CONGRESS
2D SESSION

S. 2665

[Report No. 2454]

IN THE HOUSE OF REPRESENTATIVES

APRIL 29, 1954

Referred to the Committee on Post Office and Civil Service

JULY 22, 1954

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

AN ACT

To amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

~~TITLE I—AMENDMENTS TO THE CLASSIFICATION ACT OF 1949, AS AMENDED~~

~~SEC. 101. This title may cited as the "Classification Act Amendments of 1954".~~

~~SEC. 102. The Classification Act of 1949, as amended, is further amended as follows:~~

~~(a) Paragraph (7) of section 202 is amended to read as follows:~~

~~"(7) employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semi-skilled, or skilled manual-labor occupations, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and knowledge as the paramount requirement, and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experience, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine operations: *Provided,* That the compensation of such employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates: *Provided further,* That whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees shall be subject to the provisions of the Classification Act of 1949, as amended, which are applicable to positions of equivalent difficulty or responsibility;".~~

~~(b) Section 204 (c) is amended to read as follows:~~

~~"(c) Section 202 (except paragraph 7 thereof) and section 203 shall not apply to the Office of the Architect of the Capitol."~~

~~(c) Section 505 is amended to read as follows:~~

~~"SEC. 505. (a) No position shall be placed in grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission. At any one time there shall not be more than four hundred positions in grade 16 of the General Schedule and not more than one hundred and fifteen positions in grade 17 of the General Schedule.~~

~~"(b) No position shall be placed in or removed from grade 18 of the General Schedule except by the President upon recommendation of the Commission. There shall not be more than thirty-five positions in such grade at any one time.~~

~~"(c) Positions that may be established under the proviso of section 203 (b) (1) of the Act of August 2, 1946 (60 Stat. 836), may be in addition to those authorized by the foregoing provisions of this section."~~

~~(d) Section 601 is amended to read as follows:~~

~~"SEC. 601. There is hereby established for positions to which this Act applies a basic compensation schedule to be known as the 'General Schedule', the symbol for which shall be 'GS'."~~

1 ~~(e) Section 602 is amended as follows:~~

2 ~~(1) Strike out the "(a)" after "SEC. 602."~~

3 ~~(2) Subsection (b) of said section is hereby repealed.~~

4 ~~(f) Section 603 is amended as follows:~~

5 ~~(1) Subsection (a) of said section is amended to read~~

6 ~~as follows:~~

7 ~~"(a) The rates of basic compensation with respect to~~

8 ~~officers, employees, and positions to which this Act applies~~

9 ~~shall be in accordance with the compensation schedule con-~~

10 ~~tained in subsection (b).~~"

11 ~~(2) Subsection (c) of said section is hereby repealed.~~

12 ~~(3) Subsection (d) of said section is relettered and~~

13 ~~amended to read as follows:~~

14 ~~"(c) Whenever payment is made on the basis of a~~

15 ~~daily, hourly, weekly, biweekly, or monthly rate, such rate~~

16 ~~shall be computed from the appropriate annual rate specified~~

17 ~~in subsection (b) by the method prescribed in section 604~~

18 ~~(d) of the Federal Employees Pay Act of 1945, as~~

19 ~~amended.~~"

20 ~~(g) Section 604 is amended to read as follows:~~

21 ~~"SEC. 604. Employees receiving basic compensation at~~

22 ~~a rate authorized by law, immediately prior to the effective~~

23 ~~date of this title, in excess of the appropriate new rate~~

24 ~~of the grade as determined under paragraphs (1) to (10),~~

25 ~~inclusive, of section 604 (b) of this Act, as in effect prior to~~

~~the date of enactment of the Classification Act Amendments of 1954, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this Act.”~~

~~(h) Section 703 is amended as follows:~~

~~(1) Subsection (a) is amended by striking out the words “change of grade or rate of basic compensation except such change as may be prescribed by any provision of law of general application” and inserting in lieu thereof the words “increase in grade or rate of basic compensation except such increase as may be prescribed by any provision of law of general application”.~~

~~(2) Subsection (b) (1) is amended to read as follows:~~

~~“(b) (1) No officer or employee shall be entitled to a longevity step increase while holding a position in any grade above grade 15 of the General Schedule.”~~

~~(3) Subsection (c) is amended by striking out “section 604 (b) (11), section 1105 (b)” and inserting in lieu thereof “section 604 or section 1105 (b) of this Act, or section 103 (b) (4) of the Classification Act Amendments of 1954”.~~

~~(i) Section 704 of such Act is amended by adding at the end thereof a new sentence as follows: “Service immedi-~~

1 ately preceding the date of enactment of the Classification
2 Act Amendments of 1954 shall be counted toward longevity
3 step increases under section 703 in the case of persons in
4 grades 11 to 15, inclusive, who on such date are receiving
5 compensation at the maximum scheduled rates for their
6 respective grades."

7 (j) Section 802 (b) is amended by striking out "section
8 604 (b) (11), section 1105 (b)" and inserting in lieu
9 thereof "section 604 or section 1105 (b) of this Act or
10 section 103 (b) (4) of the Classification Act Amendments
11 of 1954".

12 (k) Section 803 is amended to read as follows:

13 "SEC. 803. (a) Whenever the Commission shall find
14 (1) that a sufficient number of qualified eligibles for posi-
15 tions in a given class cannot be secured in one or more areas
16 or locations at the existing minimum rate for such class, and
17 (2) that there is a possibility that a sufficient number of
18 such eligibles can be secured by increasing the minimum rate
19 for such class in such areas or locations to one of the higher
20 rates within the grade in which such class is placed, the
21 Commission may establish such higher rate as the minimum
22 rate for that class in each area or location concerned.

23 "(b) Minimum rates established under subsection (a)
24 may be revised from time to time by the Commission. Such
25 actions or revisions shall have the force and effect of law.

1 ~~"(c) Any increase in rate of basic compensation result-~~
2 ~~ing from the establishment of new minimum rates under this~~
3 ~~section shall not be regarded as an 'equivalent increase' in~~
4 ~~compensation within the meaning of title VII."~~

5 ~~SEC. 103. (a) Not later than the first day of the first~~
6 ~~pay period which begins six months after the enactment of~~
7 ~~this Act, all positions in the Crafts, Protective, and Custo-~~
8 ~~dial Schedule of the Classification Act of 1949, as amended,~~
9 ~~not excluded from such Act by section 202 (7) thereof,~~
10 ~~as amended herein, shall be placed in corresponding grades~~
11 ~~of the General Schedule as set forth below:~~

~~Grade of the Crafts, Protective, and Custodial Schedule~~	~~Corresponding new grade of the General Schedule~~
~~1~~	~~1~~
~~2~~	~~1~~
~~3~~	~~1~~
~~4~~	~~2~~
~~5~~	~~3~~
~~6~~	~~4~~
~~7~~	~~5~~
~~8~~	~~6~~
~~9~~	~~7~~
~~10~~	~~8~~

12 ~~(b) The rates of basic compensation of officers and~~
13 ~~employees to whom this section applies shall be initially~~
14 ~~adjusted as follows:~~

15 ~~(1) If the employee is receiving a rate of basic com-~~
16 ~~pensation less than the minimum scheduled rate of the grade~~
17 ~~in which his position is placed, his compensation shall be~~
18 ~~increased to the minimum rate;~~

19 ~~(2) If the employee is receiving a rate of basic compen-~~

~~sation within the range of salary, including longevity rates, prescribed for the grade in which his position is placed, at one of the rates fixed therein, no change shall be made in his existing rate;~~

~~(3) If the employee is receiving a rate of basic compensation within the range of salary, including longevity rates, prescribed for the grade in which his position is placed, but not at one of the rates fixed therein, his compensation shall be increased to the next higher rate;~~

~~(4) If the employee is receiving a rate of basic compensation in excess of the maximum rate, including longevity rates, for the grade in which his position is initially placed, he shall continue to receive basic compensation without change in rate until (a) he leaves such position, or (b) he is entitled to receive basic compensation at a higher rate by reason of the operation of other provisions of the Classification Act of 1949, as amended; but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with the provisions of the Classification Act of 1949, as amended; and~~

~~(5) The conversion to grades of the general schedule of positions covered by this section, and the initial adjustments in compensation as prescribed herein, shall not be construed to be transfers or promotions within the meaning of section~~

~~802 (b) of the Classification Act of 1949, as amended, and the regulations issued thereunder.~~

~~SEC. 104. (a) With respect to any employee and position, which, immediately prior to the date of enactment of this Act, is subject to the Classification Act of 1949, as amended, but to which section 102 (a) of this title applies, this title shall take effect on the date or dates specified by the head of the respective department, but not later than the first day of the first pay period which begins afer twelve months following the date of enactment of this Act.~~

~~(b) With respect to employees and positions to which sections 102 (a) and 103 of this title apply, the provisions of the Classification Act of 1949, as amended, and any provisions of law and regulations controlling pay adjustments which were in effect on the date of enactment of this Act, shall continue in effect for any such employee or position until compensation shall have been fixed in accordance with the provisions of this title.~~

~~SEC. 105. The Commission is hereby authorized to issue such regulations as may be necessary for the administration of this title.~~

~~SEC. 106. Nothing contained in this title shall be construed to decrease the existing compensation of any present employee, but when his position becomes vacant, any sub-~~

1 ~~sequent appointee to such position shall be compensated in~~
2 ~~accordance with the regular schedule applicable to such~~
3 ~~position.~~

4 ~~TITLE II—PREMIUM COMPENSATION~~

5 ~~SEC. 201. This title may be cited as the "Premium~~
6 ~~Compensation Act of 1954".~~

7 ~~SEC. 202. The Federal Employees Pay Act of 1945, as~~
8 ~~amended, is further amended as follows:~~

9 ~~(a) Section 101 is amended as follows:~~

10 ~~(1) Subsection (a) is amended by striking out "titles~~
11 ~~II and III" and inserting in lieu thereof "titles II, III, and~~
12 ~~IV".~~

13 ~~(2) Subsection (b) is repealed.~~

14 ~~COMPENSATION FOR OVERTIME WORK~~

15 ~~(b) Section 201 is amended to read as follows:~~

16 ~~"SEC. 201. All hours of work officially ordered or~~
17 ~~approved in excess of forty hours in any administrative~~
18 ~~workweek performed by officers or employees to whom~~
19 ~~this title applies shall be considered to be overtime work~~
20 ~~and compensation for such overtime work, except as other-~~
21 ~~wise provided for in this Act, shall be at the following~~
22 ~~rates:~~

23 ~~"(a) For officers and employees whose basic com-~~
24 ~~pensation is at a rate which does not exceed the maximum~~
25 ~~scheduled rate of basic compensation provided for grade~~

~~GS-9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to one and one-half times the hourly rate of such officer's or employee's basic compensation, and all of such amount shall be considered premium compensation.~~

~~"(b) For officers and employees whose basic compensation is at a rate which exceeds the maximum scheduled rate of basic compensation provided for Grade GS-9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to one and one-half times the hourly rate of such maximum rate, and all of such amount shall be considered premium compensation."~~

~~(c) Section 202 (a) is amended to read as follows:~~

~~"SEC. 202. (a) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, or the municipal government of the District of Columbia (1) may, at the request of any officer or employee, grant such officer or employee compensatory time off from his scheduled tour of duty in lieu of payment for an equal amount of time spent in irregular or occasional overtime work, and (2) may, at his own discretion, provide that any officer or employee, whose rate of basic compensation is in excess of the maximum scheduled rate of basic compensation provided for grade~~

1 ~~GS-9 in the Classification Act of 1949, as amended, shall~~
2 ~~be compensated for irregular or occasional overtime work~~
3 ~~for which compensation would be due under this Act with~~
4 ~~not more than an equal amount of compensatory time off~~
5 ~~from his scheduled tour of duty in lieu of such compensation.''~~
6 ~~(d) (1) Section 203 is redesignated as section 205,~~
7 ~~and wherever such section number appears in such Act or~~
8 ~~in any other provision of law it is amended to conform to the~~
9 ~~redesignation prescribed by this subsection.~~
10 ~~(2) After section 202, insert the following new sections:~~
11 ~~''CALL BACK OVERTIME~~
12 ~~''SEC. 203. For the purposes of this Act, any unsched-~~
13 ~~uled overtime work performed by any officer or employee~~
14 ~~on a day when no work was scheduled for him, or for which~~
15 ~~he is required to return to his place of employment, shall~~
16 ~~be considered to be at least two hours in duration.~~
17 ~~''TIME IN TRAVEL STATUS~~
18 ~~''SEC. 204. For the purpose of this Act, time spent in a~~
19 ~~travel status away from the official-duty station of any officer~~
20 ~~or employee shall be considered as hours of employment only~~
21 ~~when (a) within the days and hours of such officer's or em-~~
22 ~~ployee's regularly scheduled administrative workweek, in-~~
23 ~~cluding regularly scheduled overtime hours, or (b) when the~~
24 ~~travel involves the performance of work while traveling or~~
25 ~~is carried out under arduous conditions.''~~

1 ~~COMPENSATION FOR NIGHT AND HOLIDAY WORK~~

2 ~~(c) Section 301 is amended to read as follows:~~

3 ~~"SEC. 301. (a) Any regularly scheduled work between~~
4 ~~the hours of six o'clock postmeridian and six o'clock ante-~~
5 ~~meridian (including periods of absence with pay during such~~
6 ~~hours due to holidays, and any such hours within periods~~
7 ~~of leave with pay if such periods total less than eight hours~~
8 ~~during any pay period) shall be considered night work, ex-~~
9 ~~cept as provided in subsection (b), and any officer or em-~~
10 ~~ployee performing such work to whom this title applies shall~~
11 ~~be compensated for it at his rate of basic compensation plus~~
12 ~~premium compensation amounting to 10 per centum of such~~
13 ~~rate, unless otherwise provided in this Act, and except that~~
14 ~~this section shall not operate to modify the provisions of the~~
15 ~~Act of July 1, 1944 (Public Law Numbered 394, Seventy-~~
16 ~~eighth Congress), or any other law authorizing additional~~
17 ~~compensation for night work.~~

18 ~~"(b) The head of any department, independent estab-~~
19 ~~lishment, or agency, including Government-owned or con-~~
20 ~~trolled corporations, may designate any time after six~~
21 ~~o'clock postmeridian and any time before six o'clock ante-~~
22 ~~meridian as the beginning and end, respectively, of night~~
23 ~~work for the purpose of subsection (a) at any post outside~~
24 ~~the several States and the District of Columbia where cus-~~

1 ~~tomary hours of business extend into the hours of night work~~
2 ~~provided by such subsection.''~~
3 ~~(f) Section 302 of the Federal Employees Pay Act of~~
4 ~~1945, as amended, is amended to read as follows:~~
5 ~~''SEC. 302. (a) All work not exceeding eight hours,~~
6 ~~which is not overtime work as defined in section 201 of~~
7 ~~this Act and which is performed on a holiday designated~~
8 ~~by Federal statute or Executive order, shall be compen-~~
9 ~~sated at the rate of basic compensation of the officer or~~
10 ~~employee performing such work on a holiday plus pre-~~
11 ~~mium compensation at a rate equal to such officer's or em-~~
12 ~~ployee's rate of basic compensation.—Any officer or employee~~
13 ~~who is required to perform any work on such a holiday shall~~
14 ~~be compensated for at least two hours of such work, and any~~
15 ~~such premium compensation due under the provisions of~~
16 ~~this section shall be in addition to any premium compensa-~~
17 ~~tion which may be due for the same work under the~~
18 ~~provisions of section 301 of this Act providing premium~~
19 ~~compensation for nightwork.~~
20 ~~''(b) Overtime work, as defined in section 201 of this~~
21 ~~Act, on Sundays and such holidays shall be compensated in~~
22 ~~accordance with the provisions of such section 201.''~~
23 ~~SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK~~
24 ~~(g) After title III insert a new title as follows:~~

1 ~~"TITLE IV—SPECIAL PROVISIONS FOR CERTAIN~~
2 ~~TYPES OF WORK~~
3 ~~"SEC. 401. (a) Any officer or employee of any depart-~~
4 ~~ment, independent establishment, or agency (including Gov-~~
5 ~~ernment-owned corporations), or the municipal Government~~
6 ~~of the District of Columbia, in a position requiring him to~~
7 ~~regularly remain at, or within the confines of, his station~~
8 ~~during longer than ordinary periods of duty, a substantial~~
9 ~~part of which consists of remaining in a standby status rather~~
10 ~~than performing work, shall receive premium compensation~~
11 ~~for such duty on an annual basis in lieu of premium com-~~
12 ~~pensation provided by any other provisions of this Act.~~
13 ~~Premium compensation under this subsection shall be deter-~~
14 ~~mined by the head of the department, establishment, or~~
15 ~~agency, with the approval of the Civil Service Commission,~~
16 ~~as an appropriate percentage (not in excess of 25 per~~
17 ~~centum) of such part of the basic compensation for any such~~
18 ~~position as does not exceed the maximum scheduled rate of~~
19 ~~basic compensation provided for grade GS-9 in the Classifi-~~
20 ~~cation Act of 1949, as amended, by taking into consideration~~
21 ~~the number of hours of actual work required in such positions,~~
22 ~~the number of hours required in a standby status at or within~~
23 ~~the confines of the station, the extent to which the duties~~
24 ~~of such position are made more onerous by night or holiday~~

1 ~~work, or by being extended over periods of more than forty~~
2 ~~hours a week, and any other relative factors.~~
3 ~~"(b) Any such officer or employee in a position in which~~
4 ~~the hours of duty cannot be controlled administratively, and~~
5 ~~which requires substantial amounts of irregular, unscheduled,~~
6 ~~overtime duty, and duty at night and on holidays with the~~
7 ~~officer or employee generally being responsible for recogniz-~~
8 ~~ing, without supervision, circumstances which require him~~
9 ~~to remain on duty, shall receive premium compensation for~~
10 ~~such duty on an annual basis in lieu of premium compensa-~~
11 ~~tion provided by any other provisions of this Act, except for~~
12 ~~regularly scheduled overtime duty. Premium compensation~~
13 ~~under this subsection shall be determined by the head of the~~
14 ~~department, establishment, or agency, with the approval of~~
15 ~~the Civil Service Commission, as an appropriate percentage~~
16 ~~(not in excess of 15 per centum) of such part of the rate of~~
17 ~~basic compensation for any such position as does not exceed~~
18 ~~the maximum scheduled rate of basic compensation provided~~
19 ~~for grade GS-9 in the Classification Act of 1949, as amended,~~
20 ~~by taking into consideration the frequency and duration of~~
21 ~~night, holiday, and unscheduled overtime duty required in~~
22 ~~such position."~~
23 ~~LIMITATION ON PREMIUM COMPENSATION~~
24 ~~(h) Section 603 and the heading immediately pre-~~
25 ~~ceding such section are amended to read as follows:~~

1 ~~"LIMITATION ON PREMIUM COMPENSATION~~

2 ~~"SEC. 603. No premium compensation provided by this~~
3 ~~Act shall be paid to any officer or employee whose rate of~~
4 ~~basic compensation exceeds the maximum scheduled rate of~~
5 ~~basic compensation provided for grade GS-15 in the Classi-~~
6 ~~fication Act of 1949, as amended, or when any such premium~~
7 ~~compensation would cause such officer's or employee's rate~~
8 ~~of compensation, including basic compensation and premium~~
9 ~~compensation provided by this Act, to exceed such maximum~~
10 ~~rate with respect to any pay period."~~

11 ~~WORK SCHEDULES~~

12 ~~(i) (1) The heading immediately preceding section~~
13 ~~604 is amended to read as follows:~~

14 ~~"ESTABLISHMENT OF BASIC WORKWEEK; WORK SCHED-~~
15 ~~ULES; PAY COMPUTATION METHODS"~~

16 ~~(2) Section 604 (a) is amended by inserting "(1)"~~
17 ~~after "(a)" and by adding at the end thereof a new para-~~
18 ~~graph as follows:~~

19 ~~"(2) The head of each such department, establish-~~
20 ~~ment, and agency and the municipal government of the~~
21 ~~District of Columbia shall provide with respect to all officers~~
22 ~~and employees in his respective organization, except where~~
23 ~~he determines that such organization would be seriously~~
24 ~~handicapped in carrying out its functions or that costs would~~

1 be substantially increased, that (A) assignments to tours
2 of duty shall be scheduled in advance over periods of not
3 less than one week, (B) the basic workweek shall be forty
4 hours, (C) such forty hours shall be scheduled on five days,
5 which shall be Monday through Friday wherever possible,
6 and the two days outside the basic workweek shall be con-
7 secutive, (D) the working hours in each day in the basic
8 workweek shall be the same, (E) the basic nonovertime
9 workday shall not exceed eight hours, (F) the occurrence
10 of holidays shall not affect the designation of the basic work-
11 week, and (G) breaks in working hours of more than one
12 hour shall not be scheduled in any basic workday."

13 (j) This title shall become effective at the beginning of
14 the first pay period beginning after July 1, 1954.

15 TITLE III—GOVERNMENT EMPLOYEES'
16 INCENTIVE AWARDS

17 SEC. 301. This title may be cited as the "Government
18 Employees' Incentive Awards Act".

19 SEC. 302. The departmental awards program set forth
20 in this title shall be carried out under such regulations and
21 instructions as may be issued by the United States Civil
22 Service Commission which shall annually report the results
23 of the program, with related recommendations, to the Presi-
24 dent for transmittal to the Congress.

25 SEC. 303. As used in this title, the term "department"

1 ~~means an executive department or independent agency in the~~
2 ~~executive branch of the Government, including a Govern-~~
3 ~~ment-owned or controlled corporation (but not including~~
4 ~~the Tennessee Valley Authority), and also includes (a)~~
5 ~~the Administrative Office of the United States Courts, (b)~~
6 ~~the Library of Congress, (c) the Botanic Garden, (d) the~~
7 ~~Government Printing Office, (e) the Office of the Architect~~
8 ~~of the Capitol, and (f) the municipal government of the~~
9 ~~District of Columbia.~~

10 ~~SEC. 304. (a) The head of each department is author-~~
11 ~~ized to pay cash awards to, and to incur necessary expenses~~
12 ~~for the honorary recognition of, civilian officers and em-~~
13 ~~ployees of the Government who by their suggestions, inven-~~
14 ~~tions, superior accomplishments, or other personal efforts~~
15 ~~contribute to the efficiency, economy, or other improvement~~
16 ~~of Government operations or who perform special acts or~~
17 ~~services in the public interest in connection with or related~~
18 ~~to their official employment.~~

19 ~~(b) In instances determined by the President to war-~~
20 ~~rant such action, he is authorized to pay cash awards to, and~~
21 ~~to incur necessary expenses for the honorary recognition of,~~
22 ~~civilian officers and employees of the Government who by~~
23 ~~their suggestions, inventions, superior accomplishments, or~~
24 ~~other personal efforts contribute to the efficiency, economy,~~
25 ~~or other improvement of Government operations, or who~~

1 ~~perform exceptionally meritorious special acts or services in~~
2 ~~the public interest in connection with or related to their~~
3 ~~official employment, and any such Presidential awards may~~
4 ~~be in addition to the departmental awards authorized in~~
5 ~~subsection (a) of this section.~~

6 ~~(c) Awards under this section may be paid notwith-~~
7 ~~standing the death or separation from the service of the offi-~~
8 ~~cer or employee concerned: *Provided,* That the suggestions,~~
9 ~~inventions, superior accomplishments, other personal efforts,~~
10 ~~or special acts or services in the public interest forming the~~
11 ~~basis for the awards are made or rendered while the officer~~
12 ~~or employee is in the employ of the Government.~~

13 ~~(d) A cash award under this section shall be in addition~~
14 ~~to the regular compensation of the recipient and the accept-~~
15 ~~ance of such cash award shall constitute an agreement that~~
16 ~~the use by the United States of any idea, method or device~~
17 ~~for which the award is made shall not form the basis of a~~
18 ~~further claim of any nature upon the United States by the~~
19 ~~employee, his heirs, or assigns.~~

20 ~~(e) Awards to employees and expenses for the honorary~~
21 ~~recognition of employees may be paid from the funds or~~
22 ~~appropriations available to the activity primarily benefiting~~
23 ~~or may be paid from the several funds or appropriations of~~
24 ~~the various activities benefiting as may be determined by~~
25 ~~the President for awards under subsection (b) of this sec-~~

~~tion, and by the head of the department concerned for awards under subsection (a) of this section.~~

~~(f) An award under this title shall be given due weight in qualifying and selecting employees for promotion to positions in higher grades.~~

~~SEC. 305. The following laws and parts of laws are hereby repealed:~~

~~(a) Sections 702, 1002, and 1003 of the Classification Act of 1949 (63 Stat. 954; 5 U. S. C. 1122, 1152, 1153).~~

~~(b) Section 14 of the Act entitled "An Act to authorize certain administrative expenses in the Government service, and for other purposes", approved August 2, 1946 (60 Stat. 809; 5 U. S. C. 116a).~~

~~(c) The Act entitled "An Act authorizing payments of rewards to postal employees for inventions", approved December 3, 1945 (59 Stat. 591; 39 U. S. C. 813).~~

~~(d) The Act entitled "An Act authorizing the Secretary of War to pay a cash award for suggestions submitted by employees of certain establishments of the Ordnance Department for improvement or economy in manufacturing process or plant", approved July 17, 1912 (37 Stat. 193; 50 U. S. C. 58).~~

~~(e) The Act entitled "An Act to provide equitable compensation for useful suggestions or inventions by per-~~

1 ~~sonnel of the Department of the Interior", approved June~~
2 ~~26, 1944 (58 Stat. 360; 5 U. S. C. 500).~~
3 ~~(f) Subsections (a) and (b) of section 35 of the Act~~
4 ~~entitled "An Act to enact certain provisions now included~~
5 ~~in the Naval Appropriation Act, 1946, and for other pur-~~
6 ~~poses", approved August 2, 1946 (60 Stat. 857; 5 U. S. C.~~
7 ~~416).~~
8 ~~(g) The joint resolution of March 13, 1944 (ch. 91,~~
9 ~~58 Stat. 115) (46 U. S. C. 1111b).~~
10 ~~(h) The second proviso in section 5 (i) of the Act of~~
11 ~~May 18, 1933 (16 U. S. C. 831).~~
12 ~~(i) All other laws or parts of laws inconsistent with this~~
13 ~~Act are hereby repealed to the extent of such inconsistency.~~
14 ~~SEC. 306. This title shall take effect on the ninetieth day~~
15 ~~after the date of its enactment.~~
16 ~~TITLE IV—UNIFORM ALLOWANCES~~
17 ~~SEC. 401. This title may be cited as the "Federal Em-~~
18 ~~ployees Uniform Allowance Act".~~
19 ~~SEC. 402. There is hereby authorized to be appropriated~~
20 ~~annually to each agency of the Government of the United~~
21 ~~States or of the District of Columbia (including Government-~~
22 ~~owned corporations), upon a showing of the necessity or~~

1 ~~desirability thereof, an amount not to exceed $100 multiplied~~
2 ~~by the number of the employees of such agency who are re-~~
3 ~~quired by regulation now existing or by law to wear a pre-~~
4 ~~scribed uniform in the performance of his or her official duties~~
5 ~~and who are not being furnished with such uniform. The head~~
6 ~~of any agency to which any such appropriation is made shall~~
7 ~~pay, out of such appropriation, to each such employee an~~
8 ~~allowance for defraying the expenses of acquisition and up-~~
9 ~~keep of such uniform at such times and in such amounts,~~
10 ~~not to exceed $100 per annum, as may be prescribed by the~~
11 ~~head of such agency in accordance with rules and regulations~~
12 ~~promulgated pursuant to section 404. Where the payment~~
13 ~~of a uniform allowance is authorized under any other provi-~~
14 ~~sion of law or regulation existing on the date of enactment~~
15 ~~of this Act, the head of the agency may in his discretion~~
16 ~~continue the payment of such allowance under such provision~~
17 ~~of law or regulation, but where a uniform allowance is paid~~
18 ~~under any such law or regulation no allowance shall be paid~~
19 ~~under this section.~~

20 ~~SEC. 403. Allowances paid under this title shall not be~~
21 ~~considered as pay, salary, or compensation within the mean-~~
22 ~~ing of the Civil Service Retirement Act of May 29, 1930,~~

~~as amended, or as wages within the meaning of section 209 of the Social Security Act, as amended, or subchapter A or D of chapter 9 of the Internal Revenue Code, as amended.~~

~~SEC. 404. The Director of the Bureau of the Budget is authorized and directed to promulgate such rules and regulations as may be necessary to provide for the uniform administration of this title.~~

~~TITLE V—MISCELLANEOUS PROVISIONS~~

~~SEC. 501. Section 1310 of the Supplemental Appropriation Act, 1952 (Public Law 253, Eighty-second Congress), as amended, is hereby repealed.~~

~~SEC. 502. Section 6 of the Act entitled "An Act to provide for the exemption from the Annual and Sick Leave Act of 1951 of certain officers in the executive branch of the Government, and for other purposes", approved July 2, 1953, is hereby repealed.~~

TITLE I—AMENDMENTS TO THE CLASSIFICATION ACT OF 1949, AS AMENDED

SEC. 101. This title may be cited as the "Classification Act Amendments of 1954".

INCREASE IN BASIC COMPENSATION SCHEDULES

SEC. 102. (a) Section 603 (b) and section 603 (c) of the Classification Act of 1949, as amended, are amended to read as follows:

1 *"(b) The compensation schedule for the General Sched-*

2 *ule shall be as follows:*

"Grade	Per annum rates						
1	$2,680	$2,760	$2,840	$2,920	$3,000	$3,080	$3,160
2	2,930	3,010	3,090	3,170	3,250	3,330	3,410
3	3,130	3,210	3,290	3,370	3,450	3,530	3,610
4	3,355	3,435	3,515	3,595	3,675	3,755	3,835
5	3,590	3,715	3,840	3,965	4,090	4,215	4,340
6	3,985	4,110	4,235	4,360	4,485	4,610	4,735
7	4,415	4,540	4,665	4,790	4,915	5,040	5,165
8	4,850	4,975	5,100	5,225	5,350	5,475	5,600
9	5,315	5,440	5,565	5,690	5,815	5,940	6,065
10	5,775	5,900	6,025	6,150	6,275	6,400	6,525
11	6,235	6,435	6,635	6,835	7,035	7,235	
12	7,390	7,590	7,790	7,990	8,190	8,390	
13	8,780	8,980	9,180	9,380	9,580	9,780	
14	10,080	10,280	10,480	10,680	10,880	11,080	
15	11,340	11,590	11,840	12,090	12,340		
16	12,600	12,800	13,000	13,200	13,400		
17	13,650	13,850	14,050	14,250	14,450		
18	14,800						

3 *"(c) (1) The compensation schedule for the Crafts,*

4 *Protective, and Custodial Schedule shall be as follows:*

"Grade	Per annum rates						
1	$1,990	$2,050	$2,110	$2,170	$2,230	$2,290	$2,350
2	2,600	2,670	2,740	2,810	2,880	2,950	3,020
3	2,732	2,812	2,892	2,972	3,052	3,132	3,212
4	2,930	3,010	3,090	3,170	3,250	3,330	3,410
5	3,154	3,234	3,314	3,394	3,474	3,554	3,634
6	3,380	3,460	3,540	3,620	3,700	3,780	3,860
7	3,615	3,715	3,815	3,915	4,015	4,115	4,215
8	3,925	4,050	4,175	4,300	4,425	4,550	4,675
9	4,360	4,485	4,610	4,735	4,860	4,985	5,110
10	4,795	4,920	5,045	5,170	5,295	5,420	5,545

5 *"(2) Charwomen working part time shall be paid at*

6 *the rate of $2,880 per annum, and head charwomen working*

7 *part time at the rate of $3,020 per annum."*

8 *(b) The rates of basic compensation of officers and em-*

9 *ployees to whom this section applies shall be initially adjusted*

10 *as follows:*

1 *(1) If the employee is receiving a rate of basic compen-*
2 *sation immediately prior to the effective date of this section at*
3 *one of the scheduled or longevity rates provided by the Classi-*
4 *fication Act of 1949, as amended, he shall receive a rate of*
5 *basic compensation at the corresponding scheduled or longevity*
6 *rate in effect on and after such date;*
7 *(2) If the employee is receiving a rate of basic compen-*
8 *sation immediately prior to the effective date of this section at*
9 *a rate between two scheduled or two longevity rates, or between*
10 *a scheduled rate and a longevity rate, provided by the Classi-*
11 *fication Act of 1949, as amended, he shall receive a rate of*
12 *basic compensation at the higher of the two corresponding*
13 *rates in effect on and after such date;*
14 *(3) If the employee, immediately prior to the effective*
15 *date of this section, is in a position in any one of the first*
16 *ten grades of the General Schedule or in any one of the*
17 *grades of the Crafts, Protective, and Custodial Schedule,*
18 *and is receiving a rate of basic compensation in excess of*
19 *the maximum longevity rate of his grade as provided in this*
20 *section, he shall continue to receive basic compensation with-*
21 *out change in rate until (A) he leaves such position, or*
22 *(B) he is entitled to receive basic compensation at a higher*
23 *rate by reason of the operation of the Classification Act of*
24 *1949, as amended; but when such position becomes vacant,*

1 *the rate of basic compensation of any subsequent appointee*
2 *shall be fixed in accordance with such Act, as amended;*
3 *(4) If the employee, immediately prior to the effective*
4 *date of this section, is in a position in grade 11, 12, 13,*
5 *14, or 15 of the General Schedule, and is receiving a rate of*
6 *basic compensation in excess of the maximum scheduled rate*
7 *of his grade as provided in this section, he shall continue to*
8 *receive basic compensation without change in rate until*
9 *(A) he leaves such position, or (B) he is entitled to receive*
10 *basic compensation at a higher rate by reason of the oper-*
11 *ation of the Classification Act of 1949, as amended; but when*
12 *such position becomes vacant, the rate of basic compensation*
13 *of any subsequent appointee shall be fixed in accordance*
14 *with such Act, as amended.*
15 *(c) This section shall become effective at the beginning*
16 *of the first pay period following the date of enactment of this*
17 *Act.*
18 *NUMBER OF POSITIONS IN GRADES 16, 17, AND 18 OF THE*
19 *GENERAL SCHEDULE*
20 *SEC. 103. (a) Section 505 of the Classification Act of*
21 *1949, as amended, is amended to read as follows:*
22 *"SEC. 505. (a) No position shall be placed in grade 16*
23 *or 17 of the General Schedule except by action of, or after*
24 *prior approval by, the Commission.*
25 *"(b) No position shall be placed in or removed from*

1 *grade 18 of the General Schedule except by the President*
2 *upon recommendation of the Commission.*
3 *"(c) At any one time there shall not be more than three*
4 *hundred and ninety-six positions in grade 16 of the General*
5 *Schedule, not more than one hundred and twenty-three posi-*
6 *tions in grade 17 of the General Schedule, and not more*
7 *than thirty-one positions in grade 18 of the General*
8 *Schedule."*
9 *(b) The amendment made by subsection (a) shall not*
10 *affect positions allocated to grades 16, 17, and 18 of the*
11 *General Schedule of the Classification Act of 1949, as*
12 *amended, pursuant to provisions of law (other than the*
13 *Classification Act of 1949, as amended) and reorganization*
14 *plans in effect prior to the effective date of this section.*
15 *LONGEVITY STEP-INCREASES*
16 *SEC. 104. (a) Subsection (b) (1) of section 703 of*
17 *the Classification Act of 1949, as amended, is amended to*
18 *read as follows:*
19 *"(b) (1) No officer or employee shall be entitled to a*
20 *longevity step-increase while holding a position in any grade*
21 *above grade 15 of the General Schedule."*
22 *(b) The amendment made by subsection (a) shall be-*
23 *come effective at the beginning of the first pay period follow-*
24 *ing the date of enactment of this Act.*

1 *Sec. 105 (a) Section 704 of the Classification Act of*
2 *1949, as amended, is amended to read as follows:*
3 *"Sec. 704. In the case of officers and employees in*
4 *grades 11 to 15, inclusive, of the General Schedule who are*
5 *receiving compensation at or above the maximum scheduled*
6 *rates for their respective grades on the date immediately*
7 *preceding the effective date of this amendatory section, not to*
8 *exceed three years of service performed immediately preced-*
9 *ing such effective date shall be counted toward longevity step-*
10 *increases under section 703. Notwithstanding subsection (b)*
11 *(4) of section 703, longevity step-increases for grade 15*
12 *of the General Schedule shall be $200."*
13 *(b) The amendment made by subsection (a) shall become*
14 *effective at the beginning of the first pay period following the*
15 *date of enactment of this Act.*
16 *RECRUITMENT ABOVE THE MINIMUM RATE OF THE CLASS*
17 *Sec. 106. Section 803 of the Classification Act of 1949*
18 *as amended, is amended to read as follows:*
19 *"Sec. 803. (a) Whenever the Commission shall find*
20 *(1) that a sufficient number of qualified eligibles for posi-*
21 *tions in a given class cannot be secured in one or more areas*
22 *or locations at the existing minimum rate for such class,*
23 *and (2) that there is a possibility that a sufficient number of*
24 *such eligibles can be secured by increasing the minimum rate*

1 *for such class in such areas or locations to one of the higher*
2 *rates within the grade in which such class is placed, the*
3 *Commission may establish such higher rate as the minimum*
4 *rate for that class in each area or location concerned.*
5 *"(b) Minimum rates established under subsection (a)*
6 *may be revised from time to time by the Commission. Such*
7 *actions or revisions shall have the force and effect of law.*
8 *"(c) Any increase in rate of basic compensation result-*
9 *ing from the establishment of minimum rates under this*
10 *section shall not be regarded as an 'equivalent increase' in*
11 *compensation within the meaning of section 701 (a)."*
12 *EXCLUSION FROM CLASSIFICATION ACT OF 1949 OF CRAFTS,*
13 *TRADES, AND LABOR POSITIONS AND APPLICATION OF*
14 *PREVAILING WAGE POLICY TO SUCH POSITIONS*
15 *SEC. 107. Paragraph (7) of section 202 of the Classi-*
16 *fication Act of 1949, as amended, is amended to read as*
17 *follows:*
18 *"(7) employees in recognized trades or crafts, or*
19 *other skilled mechanical crafts, or in unskilled, semi-*
20 *skilled, or skilled manual-labor occupations, and other*
21 *employees including foremen and supervisors in positions*
22 *having trade, craft, or laboring experience and knowl-*
23 *edge as the paramount requirement, and employees in*
24 *the Bureau of Engraving and Printing the duties of*
25 *whom are to perform or to direct manual or machine*

operations requiring special skill or experience, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine operations: Provided, That the compensation of such employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates: Provided further, That whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees shall be subject to the provisions of the Classification Act of 1949, as amended, which are applicable to positions of equivalent difficulty or responsibility."

TRANSFER OF CERTAIN POSITIONS FROM THE CRAFTS, PROTECTIVE, AND CUSTODIAL SCHEDULE TO THE GENERAL SCHEDULE

SEC. 108. (a) Not earlier than the first day of the second pay period which begins after the date of enactment of this Act, and not later than the first day of the first pay period which begins more than six months after the date of enactment of this Act, all positions in the Crafts, Protective, and Custodial Schedule of the Classification Act of 1949, as amended, not excluded from such Act by section 202 (7)

1 *thereof, as amended by section 107 of this title, shall be placed*
2 *in corresponding grades of the General Schedule as set forth*
3 *below:*

Grade of the Crafts, Protective, and Custodial Schedule	*Corresponding new grade of the General Schedule*
1	*1*
2	*1*
3	*1*
4	*2*
5	*3*
6	*4*
7	*5*
8	*6*
9	*7*
10	*8*

4 *(b) The rates of basic compensation of officers and em-*
5 *ployees to whom this section applies shall be initially ad-*
6 *justed as follows:*
7 *(1) If the employee is receiving a rate of basic com-*
8 *pensation in the Crafts, Protective, and Custodial Schedule*
9 *which is less than the minimum scheduled rate of that grade*
10 *in the General Schedule in which his position is placed, his*
11 *compensation shall be increased to such minimum rate;*
12 *(2) If the employee is receiving a rate of basic com-*
13 *pensation in the Crafts, Protective, and Custodial Schedule*
14 *which is equal to one of the scheduled or longevity rates of*
15 *that grade in the General Schedule in which his position is*
16 *placed, he shall receive a rate of basic compensation at such*
17 *scheduled or longevity rate;*
18 *(3) If the employee is receiving a rate of basic com-*

1 *pensation in the Crafts, Protective, and Custodial Schedule*
2 *at a rate between two scheduled or two longevity rates, or*
3 *between a scheduled rate and a longevity rate, of that grade*
4 *in the General Schedule in which his position is placed, he*
5 *shall receive a rate of basic compensation at the higher of*
6 *such two rates;*
7 *(4) If the employee is receiving a rate of basic compen-*
8 *sation in the Crafts, Protective, and Custodial Schedule in*
9 *excess of the maximum longevity rate of that grade in the*
10 *General Schedule in which his position is placed, he shall con-*
11 *tinue to receive basic compensation without change in rate*
12 *until (A) he leaves such position, or (B) he is entitled to*
13 *receive basic compensation at a higher rate by reason of the*
14 *operation of the Classification Act of 1949, as amended;*
15 *but when such position becomes vacant the rate of basic com-*
16 *pensation of any subsequent appointee shall be fixed in*
17 *accordance with such Act, as amended.*
18 *(c) The conversion to grades of the General Schedule*
19 *of positions covered by this section, and the initial adjust-*
20 *ments in compensation as prescribed herein, shall not be*
21 *construed to be transfers or promotions within the meaning*
22 *of section 802 (b) of the Classification Act of 1949, as*
23 *amended, and the regulations issued thereunder.*

1 *ABOLISHMENT OF CRAFTS, PROTECTIVE, AND CUSTODIAL*
2 *SCHEDULE*

3 *SEC. 109. Section 601 of the Classification Act of 1949,*
4 *as amended, is amended to read as follows:*

5 *"SEC. 601. There is hereby established for positions to*
6 *which this Act applies a basic compensation schedule, to be*
7 *known as the 'General Schedule', the symbol for which shall*
8 *be 'GS'."*

9 *SEC. 110. (a) Section 602 of the Classification Act of*
10 *1949, as amended, is amended by striking out "(a)" after*
11 *"SEC. 602.".*

12 *(b) Subsection (b) of such section 602 is hereby re-*
13 *pealed.*

14 *SEC. 111. (a) Subsection (a) of section 603 of the*
15 *Classification Act of 1949, as amended, is amended to read*
16 *as follows:*

17 *"(a) The rates of basic compensation with respect to*
18 *officers, employees, and positions to which this Act applies*
19 *shall be in accordance with the compensation schedule con-*
20 *tained in subsection (b)."*

21 *(b) Subsection (c) of such section 603 is hereby re-*
22 *pealed.*

23 *(c) Subsection (d) of such section 603 is amended to*
24 *read as follows:*

25 *"(c) Whenever payment is made on the basis of a*

1 *daily, hourly, weekly, biweekly, or monthly rate, such rate*
2 *shall be computed from the appropriate annual rate specified*
3 *in subsection (b) by the method prescribed in section 604*
4 *(d) of the Federal Employees Pay Act of 1945, as*
5 *amended."*

6 *SEC. 112. (a) Section 107 of this title shall take effect*
7 *on the date or dates specified by the head of a department, but*
8 *not earlier than the first day of the second pay period which*
9 *begins after the date of enactment of this Act, and not later*
10 *than the first day of the first pay period which begins more*
11 *than twelve months after the date of enactment of this Act,*
12 *with respect to each employee and position in such department*
13 *within the purview of such section 107.*

14 *(b) Sections 109, 110, and 111 of this title shall take*
15 *effect, with respect to employees and positions in a department,*
16 *upon the completion of the actions required by sections 107*
17 *and 108 of this title to be taken with respect to such employees*
18 *and positions, but, in no event, later than the first day of the*
19 *first pay period which begins more than twelve months after*
20 *the date of enactment of this Act.*

21 *MISCELLANEOUS PROVISIONS*

22 *SEC. 113. Section 604 of the Classification Act of 1949,*
23 *as amended, is amended to read as follows:*

24 *"SEC. 604. Employees receiving basic compensation at*
25 *a rate authorized by law, immediately prior to the effective*

1 *date of this title, in excess of the appropriate new rate of*
2 *the grade as determined under paragraphs (1) to (10),*
3 *inclusive, of section 604 (b) of this Act, as in effect prior*
4 *to the date of enactment of this amended section, may con-*
5 *tinue to receive such rate so long as they remain in the*
6 *same position and grade, but when any such position be-*
7 *comes vacant, the rate of basic compensation of any subse-*
8 *quent appointee shall be fixed in accordance with this Act."*
9 *SEC. 114. Sections 703 (c) and 802 (b) of the Classi-*
10 *fication Act of 1949, as amended, are amended by striking out*
11 *"section 604 (b) (11)" and inserting in lieu thereof "section*
12 *604.".*
13 *SEC. 115. The Civil Service Commission is hereby*
14 *authorized to issue such regulations as may be necessary for*
15 *the administration of this title.*
16 *SEC. 116. Nothing contained in this title shall be con-*
17 *strued to decrease the existing rate of basic compensation of*
18 *any present employee, but when his position becomes vacant*
19 *any subsequent appointee to such position shall be compen-*
20 *sated in accordance with the scale of pay applicable to such*
21 *position.*
22 *SEC. 117. The term "department" shall have the same*
23 *meaning in this title as when used in the Classification Act of*
24 *1949, as amended.*

1 *TITLE II—AMENDMENTS TO THE FEDERAL*
2 *EMPLOYEES PAY ACT OF 1945, AS AMENDED*
3 *SEC. 201. This title may be cited as the "Federal Em-*
4 *ployees Pay Act Amendments of 1954".*
5 *SEC. 202. (a) Subsection (a) of section 101 of the Fed-*
6 *eral Employees Pay Act of 1945, as amended, is amended*
7 *by striking out "titles II and III" and inserting in lieu*
8 *thereof "titles II, III, and IV".*
9 *(b) Subsection (b) of such section 101 is hereby repealed.*
10 *COMPENSATION FOR OVERTIME WORK*
11 *SEC. 203. Section 201 of the Federal Employees Pay*
12 *Act of 1945, as amended, is amended to read as follows:*
13 *"SEC. 201. All hours of work officially ordered or ap-*
14 *proved in excess of forty hours in any administrative work-*
15 *week performed by officers and employees to whom this title*
16 *applies shall be considered to be overtime work and compen-*
17 *sation for such overtime work, except as otherwise provided*
18 *for in this Act, shall be at the following rates:*
19 *"(1) For each officer and employee whose basic com-*
20 *pensation is at a rate which does not exceed the maxi-*
21 *mum scheduled rate of basic compensation provided for*
22 *grade GS-9 in the Classification Act of 1949, as*
23 *amended, the overtime hourly rate of compensation shall*

1 *be an amount equal to one and one-half times the hourly*
2 *rate of basic compensation of such officer or employee,*
3 *and all of such amount shall be considered premium*
4 *compensation.*
5 *"(2) For each officer and employee whose basic com-*
6 *pensation is at a rate which exceeds the maximum scheduled*
7 *rate of basic compensation provided for grade GS–9 in*
8 *the Classification Act of 1949, as amended, the overtime*
9 *hourly rate of compensation shall be an amount equal*
10 *to one and one-half times the hourly rate of such maxi-*
11 *mum scheduled rate of basic compensation, or an amount*
12 *equal to the basic hourly rate of compensation of such*
13 *officer or employee, whichever is greater, and all of such*
14 *amount shall be considered premium compensation."*
15 *Sec. 204. Section 202 (a) of the Federal Employees*
16 *Pay Act of 1945, as amended, is amended to read as follows:*
17 *"Sec. 202. (a) The head of any department, inde-*
18 *pendent establishment, or agency, including Government-*
19 *owned or controlled corporations, or of the municipal govern-*
20 *ment of the District of Columbia, or of the head of any legis-*
21 *lative or judicial agency to which this title applies, (1) may,*
22 *at the request of any officer or employee, grant such officer*
23 *or employee compensatory time off from his scheduled tour of*
24 *duty in lieu of payment for an equal amount of time spent*
25 *in irregular or occasional overtime work, and (2) may, at*

1 *his own discretion, provide that any officer or employee,*
2 *whose rate of basic compensation is in excess of the maxi-*
3 *mum scheduled rate of basic compensation provided for grade*
4 *GS–9 in the Classification Act of 1949, as amended, shall*
5 *be compensated for irregular or occasional overtime work*
6 *for which compensation would be due under this Act with*
7 *an equal amount of compensatory time off from his scheduled*
8 *tour of duty in lieu of such compensation."*

9 *SEC. 205. (a) Section 203 of the Federal Employees*
10 *Pay Act of 1945, as amended, is redesignated as section 205,*
11 *and wherever such section number appears in such Act or*
12 *in any other provision of law it is amended to conform to the*
13 *redesignation prescribed by this subsection.*

14 *(b) The Federal Employees Pay Act of 1945, as*
15 *amended, is amended by inserting after section 202 thereof*
16 *the following new sections:*

17 *"CALL-BACK OVERTIME*

18 *"SEC. 203. For the purposes of this Act, any unsched-*
19 *uled overtime work performed by any officer or employee*
20 *on a day when no work was scheduled for him, or for which*
21 *he is required to return to his place of employment, shall be*
22 *considered to be at least two hours in duration.*

23 *"TIME IN TRAVEL STATUS*

24 *"SEC. 204. For the purposes of this Act, time spent in a*
25 *travel status away from the official-duty station of any officer*

1 *or employee shall be considered as hours of employment only*
2 *when (a) within the days and hours of such officer's or*
3 *employee's regularly scheduled administrative workweek,*
4 *including regularly scheduled overtime hours, or (b) when*
5 *the travel involves the performance of work while traveling*
6 *or is carried out under arduous conditions."*

7 COMPENSATION FOR NIGHT AND HOLIDAY WORK

8 *SEC. 206. Section 301 of the Federal Employees Pay*
9 *Act of 1945, as amended, is amended to read as follows:*
10 *"SEC. 301. (a) Any regularly scheduled work between*
11 *the hours of six o'clock postmeridian and six o'clock ante-*
12 *meridian (including periods of absence with pay during*
13 *such hours due to holidays, and any such hours within*
14 *periods of leave with pay if such periods total less than eight*
15 *hours during any pay period) shall be considered night-*
16 *work, except as provided in subsection (b), and any officer*
17 *or employee performing such work to whom this title applies*
18 *shall be compensated for such work at his rate of basic com-*
19 *pensation plus premium compensation amounting to 10 per*
20 *centum of such rate, unless otherwise provided in title IV of*
21 *this Act. This section shall not operate to modify the pro-*
22 *visions of the Act of July 1, 1944 (Public Law Numbered*
23 *394, Seventy-eighth Congress), or any other law authorizing*
24 *additional compensation for nightwork.*
25 *"(b) The head of any department, independent estab-*

1 *lishment, or agency, including Government-owned or con-*
2 *trolled corporations, may designate any time after six o'clock*
3 *postmeridian and any time before six o'clock antemeridian*
4 *as the beginning and end, respectively, of nightwork for the*
5 *purpose of subsection (a) at any post outside the several*
6 *States and the District of Columbia where customary hours*
7 *of business extend into the hours of nightwork provided*
8 *by such subsection."*

9 *SEC. 207. Section 302 of the Federal Employees Pay*
10 *Act of 1945, as amended, is amended to read as follows:*

11 *"SEC. 302. (a) All work not exceeding eight hours,*
12 *which is not overtime work as defined in section 201 of this*
13 *Act and which is performed on a holiday designated by Fed-*
14 *eral statute or Executive order, shall be compensated at the*
15 *rate of basic compensation of the officer or employee per-*
16 *forming such work on a holiday plus premium compensation*
17 *at a rate equal to the rate of basic compensation of such*
18 *officer or employee.*

19 *"(b) Any officer or employee who is required to perform*
20 *any work on such a holiday shall be compensated for at*
21 *least two hours of such work, and any such premium com-*
22 *pensation due under the provisions of this section shall be in*
23 *addition to any premium compensation which may be due*
24 *for the same work under the provisions of section 301 of*
25 *this Act providing premium compensation for nightwork.*

1 *"(c) Overtime work, as defined in section 201 of this*
2 *Act, on Sundays and such holidays shall be compensated in*
3 *accordance with the provisions of such section 201."*

4 SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK

5 *SEC. 208. (a) The Federal Employees Pay Act of*
6 *1945, as amended, is amended by inserting after title III*
7 *thereof a new title to read as follows:*

8 *"TITLE IV—SPECIAL PROVISIONS FOR*
9 *CERTAIN TYPES OF WORK*

10 *"SEC. 401. (a) The head of any department, inde-*
11 *pendent establishment, or agency, including Government-*
12 *owned or controlled corporations, or of the municipal govern-*
13 *ment of the District of Columbia may, with the approval of*
14 *the Civil Service Commission, provide that—*

15 *"(1) any officer or employee in a position requiring*
16 *him regularly to remain at, or within the confines of, his*
17 *station during longer than ordinary periods of duty, a*
18 *substantial part of which consists of remaining in a*
19 *standby status rather than performing work, shall receive*
20 *premium compensation for such duty on an annual basis*
21 *in lieu of premium compensation provided by any other*
22 *provisions of this Act. Premium compensation under*
23 *this paragraph shall be determined as an appropriate per-*
24 *centage (not in excess of 25 per centum) of such part of*
25 *the rate of basic compensation for any such position*

as does not exceed the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, by taking into consideration the number of hours of actual work required in such position, the number of hours required in a standby status at or within the confines of the station, the extent to which the duties of such position are made more onerous by night or holiday work, or by being extended over periods of more than forty hours a week, and any other relative factors; or

"(2) any officer or employee in a position in which the hours of duty cannot be controlled administratively, and which requires substantial amounts of irregular, unscheduled, overtime duty and duty at night and on holidays with the officer or employee generally being responsible for recognizing, without supervision, circumstances which require him to remain on duty, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this Act, except for regularly scheduled overtime duty. Premium compensation under this paragraph shall be determined as an appropriate percentage (not in excess of 15 per centum) of such part of the rate of basic compensation for any such position as does not exceed the maximum scheduled rate of basic

compensation provided for grade GS–9 in the Classication Act of 1949, as amended, by taking into consideration the frequency and duration of night, holiday, and unscheduled overtime duty required in such position.

"(b) This section shall not apply to officers and employees in positions the duties of which are to supervise or perform work involved in (1) fighting fires, (2) maintaining fire-fighting apparatus and equipment, (3) inspecting fire protection apparatus and equipment, and (4) inspecting fire hazards in public buildings and reservations with a view to elimination of such fire hazards. Any such officer or employee shall receive premium compensation for such duty on the basis to which such officer or employee is entitled under any other provisions of this Act."

(b) Nothing contained in this section shall be construed to decrease the existing aggregate rate of compensation of any present employee, but when the position of such employee becomes vacant any subsequent appointee thereto shall receive premium compensation provided for such position in accordance with this section.

LIMITATION ON PREMIUM COMPENSATION

SEC. 209. Section 603 of the Federal Employees Pay Act of 1945, as amended, and the heading immediately preceding such section are amended to read as follows:

1 *"LIMITATION ON PREMIUM COMPENSATION*

2 *"SEC. 603. (a) No premium compensation provided by*
3 *this Act shall be paid to any officer or employee whose rate of*
4 *basic compensation equals or exceeds the maximum scheduled*
5 *rate of basic compensation provided for grade GS–15 in the*
6 *Classification Act of 1949, as amended.*

7 *"(b) In the case of any officer or employee whose rate*
8 *of basic compensation is less than the maximum scheduled*
9 *rate of basic compensation provided for grade GS–15 in the*
10 *Classification Act of 1949, as amended, such premium com-*
11 *pensation may be paid only to the extent that such payment*
12 *would not cause his aggregate rate of compensation to exceed*
13 *such maximum scheduled rate with respect to any pay period."*

14 *WORK SCHEDULES*

15 *SEC. 210. (a) The heading immediately preceding sec-*
16 *tion 604 of the Federal Employees Pay Act of 1945, as*
17 *amended, is amended to read as follows:*

18 *"ESTABLISHMENT OF BASIC WORKWEEK; WORK SCHED-*
19 *ULES; PAY COMPUTATION METHODS"*

20 *(b) Section 604 (a) of the Federal Employees Pay*
21 *Act of 1945, as amended, is amended by inserting "(1)"*
22 *after "(a)" and by adding at the end thereof a new para-*
23 *graph as follows:*

24 *"(2) Except where the head of each such department,*
25 *establishment, or agency and of the municipal government of*

1 *the District of Columbia determines that his organization*
2 *would be seriously handicapped in carrying out its functions*
3 *or that costs would be substantially increased, he shall provide,*
4 *with respect to all officers and employees in his organization,*
5 *(A) that assignments to tours of duty shall be scheduled in*
6 *advance over periods of not less than one week, (B) that*
7 *the basic forty-hour workweek shall be scheduled on five days,*
8 *which shall be Monday through Friday wherever possible,*
9 *and the two days outside the basic workweek shall be con-*
10 *secutive, (C) that the working hours in each day in the basic*
11 *workweek shall be the same, (D) that the basic nonovertime*
12 *workday shall not exceed eight hours, (E) that the occurrence*
13 *of holidays shall not affect the designation of the basic work-*
14 *week, and (F) that breaks in working hours of more than*
15 *one hour shall not be scheduled in any basic workday."*

16 *Sec. 211. This title shall become effective at the begin-*
17 *ning of the first pay period which begins more than sixty days*
18 *after the date of enactment of this Act.*

19 *TITLE III—FEDERAL EMPLOYEES' INCENTIVE*
20 *AWARDS*

21 *Sec. 301. This title may be cited as the "Federal Em-*
22 *ployees Incentive Awards Act of 1954".*

23 *Sec. 302. For the purposes of this title—*

24 *(a) The term "department" or "Government" includes*
25 *(1) the executive departments, (2) the independent estab-*

1 *lishments and agencies in the executive branch, including*
2 *corporations wholly owned by the United States, but not*
3 *including the Tennessee Valley Authority, (3) the Library*
4 *of Congress, (4) the Government Printing Office, (5) the*
5 *General Accounting Office, and (6) the municipal govern-*
6 *ment of the District of Columbia;*
7 *(b) The term "employees" includes all civilian officers*
8 *and employees in or under the departments;*
9 *(c) The term "Commission" means the United States*
10 *Civil Service Commission.*
11 *Sec. 303. (a) The head of each department shall pre-*
12 *pare an incentive-awards plan for his department in ac-*
13 *cordance with standards and regulations prescribed by the*
14 *Commission. The incentive-awards plan of each depart-*
15 *ment shall provide that the head of such department shall*
16 *grant monetary awards, or provide suitable honorary recog-*
17 *nition, or both, in his discretion, to or for employees of the*
18 *Government (or to former employees or the estates of*
19 *deceased employees thereof) in those instances in which such*
20 *persons, while employed by the Government, have contributed*
21 *to the efficiency, economy, or other improvement of the opera-*
22 *tions of such department, or of any other department, by their*
23 *suggestions, inventions, superior accomplishments, or other*
24 *meritorious personal efforts.*
25 *(b) The Commission shall inspect and review the op-*

1 *eration of the incentive-awards plans in the departments to*
2 *insure compliance with the provisions of this title and with*
3 *the standards and regulations of the Commission. The Com-*
4 *mission is authorized, on its own initiative and after consul-*
5 *tation with the department concerned, to revise or modify*
6 *the plan of such department to the extent that the Commission*
7 *deems necessary.*

8 *(c) In order to carry out effectively the purposes of this*
9 *title, the Commission shall establish under its jurisdiction an*
10 *incentive-awards office, appoint a director thereof, and, con-*
11 *sistently with the provisions of this title, delegate to such*
12 *director the duty and responsibility imposed upon the Com-*
13 *mission under subsections (a) and (b) to the extent that*
14 *the Commission may deem necessary.*

15 *(d) The director of the incentive-awards office shall*
16 *be immediately responsible to, and shall report directly to,*
17 *the executive director of the Commission.*

18 *(e) The Commission shall include in its annual report to*
19 *the Congress a statement with respect to the operation of the*
20 *program of incentive-awards plans for the departments under*
21 *this title, together with such recommendations as the Commis-*
22 *sion may deem advisable.*

23 *SEC. 304. (a) Awards and expenses for honorary recog-*
24 *nition under section 303 may be paid from funds or*
25 *appropriations of the department primarily benefiting or*

1 *may be paid from the several funds or appropriations of*
2 *the various departments benefiting. The President of the*
3 *United States shall determine the proportionate share of each*
4 *respective benefiting department.*

5 *(b) A monetary award granted under an incentive-*
6 *awards plan shall not exceed $5,000, except that an award*
7 *in excess of such amount but not in excess of $25,000 may be*
8 *granted, with the approval of the Commission, in special cases*
9 *in which the head of a department certifies to the Commis-*
10 *sion that the suggestion, invention, superior accomplishment,*
11 *or other meritorious effort for which such award is proposed*
12 *to be made is highly exceptional and unusually outstanding.*

13 *(c) The President of the United States is authorized to*
14 *pay monetary awards to, and to incur necessary expenses for*
15 *the honorary recognition of, civilian officers and employees*
16 *of the Government who by their suggestions, inventions,*
17 *superior accomplishments, or other personal efforts contribute*
18 *to the efficiency, economy, or other improvements of Govern-*
19 *ment operations, or who perform exceptionally meritorious*
20 *special acts or services in the public interest in connection*
21 *with or related to their official employment. Such Presi-*
22 *dential awards may be in addition to departmental awards*
23 *authorized in section 303 (a).*

24 *(d) The acceptance of a monetary award shall con-*
25 *stitute an agreement that any benefit derived by the United*

1 *States or the District of Columbia as a result of the suggestion,*
2 *invention, superior accomplishment, or other meritorious*
3 *personal effort for which the award is made shall not form*
4 *the basis of a claim of any nature against the United States*
5 *or the District of Columbia by the employee or former*
6 *employee, or his heirs, assigns, or estate.*
7 *(e) A monetary award or honorary recognition shall*
8 *be given due weight in qualifying and selecting employees*
9 *for promotion.*
10 *Sec. 305. (a) The following laws and parts of laws*
11 *are hereby repealed:*
12 *(1) Section 702, 1002, and 1003 of the Classification*
13 *Act of 1949 (5 U. S. C., secs. 1122, 1152, 1153);*
14 *(2) Section 14 of the Act entitled "An Act to author-*
15 *ize certain administrative expenses in the Government serv-*
16 *ice, and for other purposes", approved August 2, 1946 (5*
17 *U. S. C., sec. 116a);*
18 *(3) The Act entitled "An Act authorizing payments*
19 *of rewards to postal employees for inventions", approved*
20 *December 3, 1945 (39 U. S. C., sec. 813);*
21 *(4) The Act entitled "An Act authorizing the Secretary*
22 *of War to pay a cash award for suggestions submitted by*
23 *employees of certain establishments of the Ordnance Depart-*
24 *ment for improvement or economy in manufacturing process*
25 *or plant", approved July 17, 1912 (50 U. S. C., sec. 58);*

1 *(5) The Act entitled "An Act to provide equitable com-*
2 *pensation for useful suggestions or inventions by personnel*
3 *of the Department of the Interior", approved June 26, 1944*
4 *(5 U. S. C., sec. 500);*
5 *(6) Subsections (a) and (b) of section 35 of the Act*
6 *entitled "An Act to enact certain provisions now included*
7 *in the Naval Appropriations Act, 1946, and for other pur-*
8 *poses", approved August 2, 1946 (5 U. S. C., sec. 416);*
9 *and*
10 *(7) The joint resolution entitled "Joint Resolution to*
11 *provide cash awards to personnel of the Maritime Commis-*
12 *sion and the War Shipping Administration for useful sug-*
13 *gestions to improve administration of their activities", ap-*
14 *proved March 13, 1944 (46 U. S. C., sec. 1111b).*
15 *(b) All other laws or parts of laws inconsistent with this*
16 *title are hereby repealed to the extent of such inconsistency.*
17 *(c) Paragraph (A) of subsection (a) of section 701*
18 *of the Classification Act of 1949, as amended (5 U. S. C.,*
19 *sec. 1121 (a)), is amended by striking out the comma and*
20 *the following: "except increase made pursuant to section*
21 *702 or 1002".*
22 *Sec. 306. The enactment of this title shall not affect the*
23 *right of any employee to an award granted him under any*
24 *provision of law repealed by this title.*
25 *Sec. 307. There are hereby authorized to be appro-*

1 *priated such sums as may be necessary to carry out the pur-*
2 *poses of this title.*

3 *Sec. 308. This title shall take effect on the ninetieth day*
4 *after the date of the enactment of this Act.*

5 *TITLE IV—UNIFORM ALLOWANCES*

6 *Sec. 401. This title may be cited as the "Federal*
7 *Employees Uniform Allowance Act".*

8 *Sec. 402. Each civilian officer or employee of the*
9 *United States or of the municipal government of the Dis-*
10 *trict of Columbia who on or after the effective date of*
11 *this title is required by law or regulation to wear a pre-*
12 *scribed uniform in the performance of official duties shall*
13 *be paid an allowance for the purchase of such uniform,*
14 *at such times and in such amounts, not in excess of the*
15 *actual cost thereof or $100 per annum, whichever is the*
16 *lesser, as may be prescribed by the head of the depart-*
17 *ment or independent establishment concerned or of the munici-*
18 *pal government of the District of Columbia, as the case*
19 *may be, in accordance with such rules and regulations as*
20 *may be promulgated by the Director of the Bureau of the*
21 *Budget for the administration of this title.*

22 *Sec. 403. Allowances paid under this title shall not*
23 *be considered as pay, salary, or compensation within the*
24 *meaning of the Civil Service Retirement Act of May 29,*
25 *1930, as amended, or as wages within the meaning of*

section 209 of the Social Security Act, as amended, or chapters 21 and 24 of the Internal Revenue Code of 1954.

SEC. 404. This title shall not apply to any officer or employee to whom a uniform is authorized to be furnished, or to whom an allowance for the purchase of a uniform is authorized to be paid, under any other provision of law, or under any regulation.

SEC. 405. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

TITLE V—AMENDMENTS TO THE ANNUAL AND SICK LEAVE ACT OF 1951

SEC. 501. (a) Section 203 (c) of the Annual and Sick Leave Act of 1951, as amended by section 3 (a) of the Act of July 2, 1953 (Public Law 102, Eighty-third Congress), is amended to read as follows:

"(c) The annual leave provided for in this section, which is not used by an officer or employee, shall accumulate for use in succeeding years until it totals not to exceed sixty days at the beginning of the first complete biweekly pay period, or corresponding period in the case of an officer or employee who is not paid on the basis of biweekly pay periods, occurring in any year; except that not more than one-half of the leave which an officer or employee earned

1 *during any one full leave year, or would have earned had he*
2 *been in a leave earning status for such full leave year, may*
3 *be accumulated in such year."*
4 *(b) So much of section 203 (d) of the Annual and*
5 *Sick Leave Act of 1951 as precedes paragraph (1) thereof,*
6 *as amended by section 3 (b) of such Act of July 2, 1953,*
7 *is amended to read as follows:*
8 *"(d) Notwithstanding the provisions of subsection (c),*
9 *a maximum accumulation not to exceed ninety days at the*
10 *beginning of the first complete biweekly pay period, or cor-*
11 *responding period in the case of an officer or employee who*
12 *is not paid on the basis of biweekly pay periods, in any year*
13 *is authorized to the following categories of employees of*
14 *the Federal Government, other than officers and employees*
15 *in the Foreign Service of the United States under the De-*
16 *partment of State, stationed outside the several States and*
17 *the District of Columbia; except that not more than one-*
18 *half of the leave which an officer or employee earned dur-*
19 *ing any one full leave year, or would have earned had he*
20 *been in a leave earning status for such full leave year, may*
21 *be accumulated in such year."*
22 *Sec. 502. The second sentence of the first section of the*
23 *Act of December 21, 1944, as amended by section 4 (a)*
24 *of such Act of July 2, 1953, is amended to read as follows:*
25 *"Such lump-sum payment shall equal the compensation that*

1 *such officer or employee would have received had he remained*
2 *in the service until the expiration of the period of such an-*
3 *nual or vacation leave; except that such lump-sum payment*
4 *shall not include compensation for any period of accumu-*
5 *lated leave in excess of thirty days, plus current accrued*
6 *leave, or in excess of the number of days of accumulated*
7 *leave to which he is entitled on the date of separation (ex-*
8 *cluding accumulated leave earned in the 1954 leave year*
9 *and thereafter), plus current accrued leave, whichever is the*
10 *greater."*

11 *Sec. 503. Clause (6) of section 2 of the Act of August 3,*
12 *1950, as amended by section 5 of such Act of July 2, 1953,*
13 *is amended to read as follows: "(6) payment for all accu-*
14 *mulated and current accrued annual or vacation leave equal*
15 *to the compensation the decedent would have received had*
16 *he remained in the service until the expiration of the period*
17 *of such annual or vacation leave; except that such lump-sum*
18 *payment shall not include compensation for any period of*
19 *accumulated leave in excess of thirty days, plus current*
20 *accrued leave, or in excess of the number of days of accumu-*
21 *lated leave to which he is entitled on the date of separation*
22 *(excluding accumulated leave earned in the 1954 leave year*
23 *and thereafter), plus current accrued leave, whichever is*
24 *the greater."*

25 *Sec. 504. Section 2 (a) (2) of such Act of July 2,*

1 *1953, is amended to read as follows: "(2) shall be made*
2 *without regard to the limitations imposed by amendments*
3 *made to such Acts after July 1, 1953, with respect to the*
4 *amounts of leave compensable thereunder".*

5 *SEC. 505. Section 6 of such Act of July 2, 1953, is*
6 *amended to read as follows:*

7 *"SEC. 6. The heads of the departments and agencies*
8 *are directed to afford opportunity for each officer and*
9 *employee under their respective jurisdictions to use during*
10 *a leave year not less than one-half of the annual leave which*
11 *he earns during such leave year."*

12 *SEC. 506. No lump-sum payment for annual or vacation*
13 *leave shall be made under the Act of December 21, 1944, as*
14 *amended, in the case of any officer or employee who is sepa-*
15 *rated from the service because—*

16 *(1) he has or is engaged in activities which, under*
17 *any law or Executive order of the President, reflect*
18 *adversely on his loyalty to the United States;*

19 *(2) he is a member of or sympathetically associated*
20 *with an organization which engages in activities which,*
21 *under any law or Executive order of the President, re-*
22 *flect adversely on the loyalty of all persons who are*
23 *members of or sympathetically associated with such*
24 *organization; or*

25 *(3) he has refused to testify concerning his sub-*

versive activities in any proceeding before a court of the United States or before either House of Congress, or before any joint committee of Congress established by joint or concurrent resolution of the two Houses or by Act of Congress, or before any committee of either House.

SEC. 507. Sections 502 and 503 of this title shall take effect as of September 1, 1953.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. Section 165 of the Revised Statutes (5 U. S. C., sec. 33), is amended to read as follows:

"SEC. 165. Any person who has reason to believe that his or her name is hereafter passed over on a civil-service certificate or on a promotion list for appointment to any position in the competitive civil service because of his or her sex, may appeal to the Civil Service Commission to review such action. The Commission shall act upon such appeal at the earliest practicable time, and its decision thereon shall be certified forthwith to, and shall be final and binding upon, the department, agency, independent establishment, or Government-owned corporation concerned."

SEC. 602. (a) Section 2 (b) of the Performance Rating Act of 1950 (5 U. S. C., sec. 2001) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following:

"(12) The Central Intelligence Agency."

1 *(b) Section 9 of the Central Intelligence Agency Act of*
2 *1949, as amended (50 U. S. C., sec. 403i), is hereby*
3 *repealed.*
4 *SEC. 603. (a) Each officer and employee in or under*
5 *the legislative branch of the Government whose rate of com-*
6 *pensation is increased by section 5 of the Federal Employees*
7 *Pay Act of 1946 shall be paid additional compensation at*
8 *the rate of 5 per centum of the aggregate rate of his rate of*
9 *basic compensation and the rate of the additional compensation*
10 *received by him under sections 501 and 502 of the Federal*
11 *Employees Pay Act of 1945, as amended, section 301 of the*
12 *Postal Rate Revision and Federal Employees Salary Act*
13 *of 1948, the provisions under the heading "Increased pay*
14 *for legislative employees" in the Second Supplemental Ap-*
15 *propriation Act, 1950, and the Act of October 24, 1951*
16 *(Public Law 201, Eighty-second Congress).*
17 *(b) Section 2 (b) of the Act of October 24, 1951 (Pub-*
18 *lic Law 201, Eighty-second Congress), is amended by strik-*
19 *ing out "$11,646" and inserting in lieu thereof "$12,228".*
20 *(c) The limitation in the paragraph designated "Fold-*
21 *ing documents" under the heading "CONTINGENT EXPENSES*
22 *OF THE SENATE" and the limitations in the paragraph des-*
23 *ignated "Folding documents" under the heading "CONTIN-*
24 *GENT EXPENSES OF THE HOUSE" in the Legislative Ap-*

1 *propriation Act, 1955 (Public Law 470, Eighty-third Con-*
2 *gress), are hereby increased by 5 per centum.*
3 *(d) The rates of basic compensation of each of the*
4 *elected officers of the Senate and the House of Representa-*
5 *tives (not including the presiding officers of the two Houses),*
6 *the Parliamentarian of the Senate, the Parliamentarian of*
7 *the House of Representatives, the Legislative Counsel of*
8 *the Senate, the Legislative Counsel of the House of Repre-*
9 *sentatives, and the Coordinator of Information of the House*
10 *of Representatives are hereby increased by 5 per centum.*
11 *(e) This section shall take effect on the first day of*
12 *the first pay period which begins after the date of enactment*
13 *of this Act.*
14 *Sec. 604. (a) The rate of basic compensation of the*
15 *Treasurer of the United States shall be at the maximum*
16 *scheduled rate of the highest grade established by the Classi-*
17 *fication Act of 1949, as amended.*
18 *(b) This section shall take effect on the first day of*
19 *the first pay period with respect to the Treasurer of the*
20 *United States which begins after the date of enactment of*
21 *this Act.*

Passed the Senate April 28 (legislative day, April 14), 1954.

Attest: J. MARK TRICE,
Secretary.

Union Calendar No. 846

83D CONGRESS
2D SESSION

S. 2665

[Report No. 2454]

AN ACT

To amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

APRIL 29, 1954

Referred to the Committee on Post Office and Civil Service

JULY 22, 1954

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued July 27, 1954
For actions of July 26, 1954
83rd-2nd, No. 141

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HIGHLIGHTS: House committees reported mutual security appropriation bill and cleared it for debate. House passed atomic energy bill. House received conference report on tax revision bill. House passed customs simplification bill. House passed flood control bill. House Rules Committee tabled Hawaii-Alaska statehood bill. Senate debated atomic energy bill. Senate committee reported upper Colo. reclamation bill. Sen. Williams and Rep. Moulder introduced drought-relief bills. Sen. Douglas submitted and discussed resolution for joint committee on drought relief.

HOUSE

1. ATOMIC ENERGY. Passed, 230-154, with amendments H. R. 9757, the atomic energy bill (pp. 11389-90).

2. FOREIGN-AID APPROPRIATIONS. The Appropriations Committee reported (on July 24, during House recess) H. R. 10051, the mutual security appropriation bill, 1955 (H. Rept. 2490)(p. 11485). The Rules Committee reported a resolution waiving points of order on the bill (p. 11474).

3. CUSTOMS SIMPLIFICATION. Passed without amendment H. R. 10009, to provide for review of customs tariff schedules, to improve procedures for tariff classification of unenumerated articles, and to repeal or amend obsolete provisions of the customs laws (pp. 11398-400).

4. FLOOD CONTROL. Passed without amendment H. R. 9859, the omnibus flood control bill, which authorizes $20,000,000 additional for watershed work by this Department (pp. 11411-47). Rejected, 19-69, an amendment by Rep. Smith, Miss., to require that land be purchased under this bill so as to facilitate recreation (pp. 11438-40).

5. STATEHOOD. The Rules Committee tabled a request for a rule to send to conference H. R. 3575, the Hawaiian statehood bill, as amended in the Senate to include also Alaska (p. D899).

6. CREDIT UNIONS. Passed as reported S. 3583, to transfer administration of D. C. credit unions from Treasury to HEW (pp. 11401-2).

7. DISASTER RELIEF. Received from the President a message reporting on disaster-relief activities; to Appropriations and Public Works Committees (H. Doc. 479) (p. 11397).

8. PUERTO RICO. Mr. Fernos-Isern spoke on development of Puerto Rico since it became a Commonwealth (pp. 11475-7).

9. TAXATION. Received the conference report on H. R. 8300, the tax revision bill (pp. 11448-73). The conferees agreed to the Senate changes in the provision to encourage soil conservation expenditures (p. 11456).

10. PERSONNEL. S. 2665 as reported (see Digest 138) provides as follows:

"(1) A 5-percent increase in the minimum rate of each grade, through grade GS-17, of all employees paid under the Classification Act of 1949, with a minimum increase to each employee of $180 a year. The bill also provides an increase of 5 percent for legislative employees with no minimum provision.

(2) An increase in the number of supergrade positions provided by the Classification Act of 1949, as amended, from 400 to 550, apportioned as follows: GS-18, 31; GS-17, 123; and GS-16, 396.

(3) Longevity step increases (presently provided for employees through grade GS-10) for employees through grade GS-15. These longevity steps are in the same amount as the present within-grade promotion steps, except that for GS-15, which has within-grade promotion steps of $250 each, each longevity step increase will be $200. In effect, no employees in grades GS-11 through GS-15 may count past service for more than one longevity step increase under the bill.

(4) Authority for the Civil Service Commission to recruit qualified employees above the minimum rate of the grade for the position to which appointment is made in cases where a sufficient number of qualified eligibles cannot be secured at the regular entrance rate.

(5) Abolishment of the crafts, protective, and custodial schedule. The 116,000 employees paid under this schedule will be divided into two groups. The first group of approximately 69,000 will have their pay set by local wage boards. The second group of approximately 47,000 will be paid under the general schedule of the Classification Act of 1949. This will be worked out over a period of time by the Civil Service Commission under procedures provided for in the bill.

(6) A system of premium compensation for classified employees, including overtime compensation at 1½ times the regular rate of basic compensation not in excess of the top salary grade for GS-9 or the regular straight-time rate, whichever is greater; night differential at the rate of 10 percent of the regular rate of basic compensation; holiday pay (not overtime) at a rate equal to the regular pay in addition to such regular pay; standby time at appropriate rates determined by department heads with the approval of the Civil Service Commission (except for fire fighters) not in excess of 25 percent of the regular rate of basic compensation for GS-9; and extra pay at rates up to 15 percent of base pay for employees (such as criminal investigators and certain others) whose hours of duty cannot be controlled administratively and who must perform substantial quantities of irregular, overtime, or night duty. Fire fighters will receive the premium compensation benefits, but are not restricted by the

25-percent minimum. No premium pay may apply to raise the compensation of an individual to more than $12,340.

(7) Establishment of an incentive awards program similar to that provided for in the Senate bill and in H. R. 7774, which has passed the House.

(8) A provision whereby employees who are passed over for appointments or promotions in the competitive civil service, solely because of their sex, may appeal to the Civil Service Commission.

(9) Elimination of the present requirement that accumulated annual leave be liquidated down to 30 days so that under the bill classified and postal employees may accumulate up to 60 days (90 days for those outside the United States) but may not receive lump-sum payments upon termination for more than 30 days plus current accrued leave.

(10) A uniform allowance for employees required to wear uniforms, to cover the cost of such uniforms up to $100 annually."

H. Rept. 2277 (see Digest 135) makes the following recommendations:

"That performance rating plans be continued on a mandatory basis for Federal employees.

"That the Civil Service Commission either issue new regulations or amend the present ones to clearly permit agencies to include additional rating levels in their rating plans if they so desire.

"That section 6 of the Performance Rating Act of 1950 be amended to liberalize the requirements for the "outstanding" rating so that employees need be "outstanding" only in "all major aspects" of his job to be considered for the 'outstanding' rating rather than the present strict requirement of being outstanding in 'all aspects."

"That the title of the Performance Rating Act of 1950 be amended to read 'The Performance Review Act of 1950,' and that if new legislation is enacted it be given the title of 'The Performance Review Act of 1954.'

"That section 6 of the Performance Rating Act of 1950 be amended to permit those agencies so desiring not to have to summarize the performance evaluations of those employees who fall into the 'satisfactory' category.

"That all departments and agencies require their supervisors to place written, narrative statements regarding their employees' performance and potentialities in their personnel folders at the time they are rated.

"That the safeguards presently contained in section 6 of the Performance Rating Act of 1950 pertaining to the 'unsatisfactory' rating be retained in the law and be properly utilized by the Federal departments and agencies. If new legislation is introduced, that these provisions be included therein.

"That the departments and agencies institute training programs for their supervisors that will clearly show them the value of rating plans, from management's standpoint as well as the employees'. It is the subcommittee's opinion that this recommendation cannot be overemphasized because any rating plan can be only as effective as its raters are objective."

SENATE

11. RECLAMATION. The Interior and Insular Affairs Committee reported with amendment S. 1555, authorizing the upper Colorado River project (S. Rept. 1983) (p. 11494).

Sen. Anderson commended the members of the committee for their work in connection with this bill and inserted his statement, "Water Uses, Consumptive Versus Nonconsumptive" (pp. 11550-1).

12. FARM PROGRAM. Sen. Smith, Me., (for herself and Sen. Payne) submitted amendments to be proposed by them, jointly, to S. 3052, the farm program bill (p. 11495).

13. ATOMIC ENERGY. Continued debate on S. 3690, the atomic energy bill (pp. 11488-94, 11496-503, 11505-20, 11522-7, 11529-49, 11553-74).

Agreed to the following amendments:

By Sen. Gore, to bar reimbursement by AEC of Federal income taxes paid by any contractor performing contract for profit under this bill (pp. 11533-9);

By Sen. Kerr, to eliminate patent features of the bill as applied to peacetime uses of atomic energy and to extend from 5 to 10 years the period for compulsory cross-licensing (pp. 11554-5);

By Sen. Humphrey, to provide for setting up of a division or divisions of AEC for applications of civilian uses (pp. 11565-6);

By Sen. Humphrey, to require, rather than merely authorize, certain research by AEC (p. 11566).

Rejected, 44 to 42, the cloture motion to limit debate on this bill (a two-thirds vote was necessary to invoke cloture) (pp. 11488-94).

14. REPORTS. Received a report on the apportionment of the administrative-expense authorization of CCC for the fiscal year 1955, and the audit report on REA for the fiscal years 1951 and 1952 (p. 11494).

15. SOIL CONSERVATION. Sen. Johnston (S.C.) inserted a statement issued by the legislative committee of the National Assn. of Soil Conservation Districts expressing "grave concern" because Sec. Benson "has not yet announced the appointment of the Advisory Soil Conservation Committee" mentioned at their national convention in New Orleans, and the text of a pamphlet, "Why, What, and How of Soil Conservation Districts" (pp. 11520-2).

16. TAXATION; DROUGHT RELIEF. The "Daily Digest" states that the Finance Committee ordered reported with amendments H. R. 6440 (to amend section 345 of the Revenue Act of 1951), including amendments to "provide capital-gains treatment on involuntary conversion of cattle held in an area for which the President has determined, under Public Law 875. of 81st Congress, that a major disaster exists because of drought"; and to "exempt from excise tax admissions to livestock shows and certain rodeos" (p. D896).

17. FOREIGN AFFAIRS. The "Daily Digest" states that the Subcommittee on International Agreements ordered reported to the full Foreign Relations Committee with amendments S. 3067, to require that international agreements other than treaties, hereafter entered into by the U. S., be transmitted to the Senate within 30 days after the execution thereof (p. D896).

ITEMS IN APPENDIX

18. SURPLUS COMMODITIES. Rep. Curtis, Mo., inserted Everett T. Winter's address before the Nat'l Rivers and Harbors Congress discussing some of the problems created by surpluses (pp. A5381-2).

19. HEALTH INSURANCE. Various insertions favoring and opposing the President's proposed health reinsurance program (pp. A5385-6, A5386-7, A5405, A5410-1, A5416).

20. RECLAMATION. Extension of remarks of Rep. Yorty opposing the proposed upper Colorado River project and stating that "... project is the most infeasible, costly, and impractical water and power scheme ever concocted by a Federal

Calendar No. 2011

83d Congress, 2d Session | SENATE | Report No. 1992

GOVERNMENT EMPLOYEES FRINGE BENEFITS ACT OF 1954

July 28 (legislative day, July 2), 1954.—Ordered to be printed

Mr. Carlson, from the Committee on Post Office and Civil Service, submitted the following

REPORT

[To accompany H. R. 2263]

The Committee on Post Office and Civil Service, to whom was referred the bill (H. R. 2263) to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service, having considered the same, report favorably thereon with amendments and recommend that the bill, as amended, do pass.

Statement

The Senate Post Office and Civil Service Committee, in the interest of expediting fringe benefit legislation for Federal employees, unanimously voted to strike all after the enacting clause of H. R. 2263 and insert an amendment which appears in italic type in the bill as reported.

The provisions of the bill as reported are substantially the same as contained in S. 2665 which passed the Senate on April 28, 1954, and S. 3681 which passed the Senate on July 8, 1954, except that certain technical and clarifying amendments, and certain other amendments hereafter discussed, have been added to the bill as reported.

The bill, as reported, contains the following major provisions:

1. An increase in the number of positions in grades GS–16, GS–17, and GS–18 authorized under the Classification Act of 1949 from the present 400 to 550, designating that there shall not be more than 400 positions in grade 16 of the general schedule, not more than 115 positions in grade 17 and not more than 35 positions in grade 18.

2. Provides longevity salary step increases for employees in grades 11 through 15. These longevity steps are in the same amount as the present within-grade promotion steps except that for GS–15, which has within-grade promotion steps of $250 each, each longevity step

increase will be $200. No employee in grades GS–11 through GS–15 may count past service for more than one longevity step increase under this bill.

3. Authorizes the Commission to use one of the within-grade salary steps as the minimum rate for any class of Classification Act jobs in an area whenever it is found a sufficient number of qualified eligibles cannot be secured at the existing minimum rate of grade and that such increase will secure sufficient eligibles.

4. Abolishes the crafts, protective, and custodial schedule of the Classification Act of 1949, as amended, and provides that such employees under this schedule be transferred to a local prevailing-wage rate system, or the general schedule of the Classification Act.

5. Modernizes and simplifies the overtime and premium compensation laws relating to Federal employees, including overtime compensation at 1½ times the regular rate of basic compensation not in excess of the top salary grade for GS–9 or the regular straight-time rate, whichever is greater; night differential at the rate of 10 percent of the regular rate of basic compensation; holiday pay (not overtime) at a rate equal to the regular pay in addition to such regular pay; standby time at appropriate rates determined by department heads with the approval of the Civil Service Commission (except for fire fighters) not in excess of 25 percent of the regular rate of basic compensation for GS–9; and extra pay at rates up to 15 percent of base pay for GS–9 for employees (such as criminal investigators and certain others) whose hours of duty cannot be controlled administratively and who must perform substantial quantities of irregular, overtime, or night duty. Fire fighters will receive the premium compensation benefits, but are not restricted by the 25-percent minimum. No premium pay may apply to raise the compensation of an individual to more than the maximum scheduled rate of GS–15.

6. Establishes a uniform and progressive Government employees incentive awards program which consolidates and codifies existing laws and places the responsibility and direction of such program under the Civil Service Commission.

7. Authorization for annual appropriations to provide a uniform allowance of a maximum of $100 annually for those employees in the Federal Government and the government of the District of Columbia required to wear uniforms.

8. Provides for the lump-sum payment of current accrued annual or vacation leave to the survivors of a deceased employee.

9. Provides low-cost group life insurance to Federal employees in sums approximating their annual salaries.

10. A repeal of present law which restricts the number of permanent appointments, promotions, and transfers in the Federal service.

Estimated costs

Positions in GS–16, GS–17, and GS–18	$260, 000
Longevity step increases	1, 585, 000
Transfer of CPC employees	36, 513, 000
Premium pay provisions	32, 500, 000
Group insurance	22, 750, 000
Uniform allowances	20, 000, 000

Summary

The fringe benefits provided by this bill incorporate a substantial and important part of the administration's progressive personnel program. The provisions contained therein are the result of a careful analysis and a comprehensive review of the combined recommendations submitted to the committee in the form of extensive public hearings, committee studies, agency reports, and consultations with employee organizations.

The committee believes that the enactment of this bill will eliminate many of the existing inequities and greatly improve the personnel operations of the Federal Government. Therefore, the Senate Post Office and Civil Service Committee unanimously agreed to favorably report the bill to the Senate as amended in the committee.

Explanation of the Provisions of the Bill as Amended by the Committee

TITLE I—AMENDMENTS TO THE CLASSIFICATION ACT OF 1949

Number of positions in grades 16, 17, and 18 of the general schedule

Section 101. This section relates to the number of positions authorized in grades 16, 17, and 18 of the general schedule of the Classification Act.

Subsection (a) of section 101 increases the number of positions authorized in grades 16, 17, and 18 of the general schedule (GS) from 400, now provided in the Classification Act, to 550. The additional 150 positions are apportioned among these grades in approximately the same ratio as currently provided in the Classification Act for the 400 such positions.

The total of 550 positions, specifically, are distributed as follows: Not more than 400 positions in GS–16; not more than 115 positions in GS–17; and not more than 35 positions in GS–18.

This section continues the provisions of the present law requiring (1) that positions may be placed in grades GS–16 or GS–17 only by action of, or with prior approval of, the Civil Service Commission, and (2) that positions may be placed in or removed from grade GS–18 only by the President upon recommendations of the Civil Service Commission.

This section also provides that the positions of senior specialists in the Legislative Reference Service of the Library of Congress may be in addition to the 550 positions authorized to be placed in GS–16, GS–17, and GS–18.

Subsection (b) of section 101 assures that the amendment made by the preceding subsection (a) shall not affect positions allocated to grades GS–16, GS–17, and GS–18 pursuant to provisions of law (other than the Classification Act of 1949, as amended) and reorganization plans in effect prior to the effective date of this section.

Longevity step increases

Section 102. This section relates to longevity step increases.

Subsection (a) (1) amends subsection (a) of section 703 of the Classification Act. The new language provides that, if an employee who has earned credit toward the required 3-year longevity period at the maximum rate or a longevity rate of his grade is changed to the

maximum or a longevity rate of a lower grade, the credit earned in the higher grade shall apply toward a longevity step increase in the lower grade. For example, an employee at the top scheduled rate of grade GS–9, with 2 years' service toward a longevity increase, is reassigned to a grade GS–7 position and placed at the top scheduled rate of grade GS–7. Under the provisions of subsection (a) (1) of section 102, he retains the 2 years' credit toward a longevity step increase in grade GS–7. Under present law, he has to begin his 3-year longevity period over again when he is reduced to grade GS–7.

Subsection (a) (2) amends section 703 (b) (1) of the Classification Act by authorizing longevity step increases for employees in grades 11 to 15 inclusive of the general schedule. Present law limits such increases to grades 1 through 10 of the general schedule and to all grades of the crafts, protective, and custodial schedule.

Subsection (b) of section 102 provides that these amendments will be effective at the beginning of the first pay period following the date of enactment of the bill.

Section 103. Subsection (a) amends section 704 of the Classification Act. It provides that, in the case of employees in grades 11 to 15 inclusive of the general schedule, not to exceed 3 years of service performed immediately prior to the effective date of the amendment at or above the maximum scheduled rates for their respective grades shall be counted toward longevity step increases. For grade GS–15, which has within-grade salary steps of $250, longevity step increases are limited to $200.

Subsection (b) of section 103 provides that this amendment will be effective at the beginning of the first pay period following the date of enactment of the bill.

Recruitment above the minimum rate of the class

Section 104. This section amends section 803 of the Classification Act. It relates to the recruitment of employees at salary rates above the statutory minimum rate for a class of positions when authorized, under certain conditions, by the Civil Service Commission. Under present law, each original appointment to any position under the Classification Act must be at the minimum per annum rate of the grade in which such position is classified.

Subsection (a) of the new section 803 of the Classification Act authorizes the Civil Service Commission to establish one of the within-grade salarystep rates above the statutory minimum rate of the appropriate grade for any class of position as the minimum or entrance rate for such class of positions to be effective in any area or location wherein the Commission finds: (1) That a sufficient number of qualified eligibles for such class of positions cannot be secured at the existing minimum rate for such class, and (2) that there is a possibility of securing a sufficient number of such eligibles by so increasing the minimum rate for such class of positions.

Subsection (b) of section 803 of the Classification Act of 1949, as amended herein, authorizes the Civil Service Commission to revise, from time to time, such higher minimum rates as it may establish under subsection (a). Such rates or any revisions thereof established under subsection (a) have the force and effect of law.

Subsection (c) of the amended section 803 provides that any increase in rate of basic compensation under this section shall not be regarded as an "equivalent increase" in compensation within the meaning of

section 701 (a) of the Classification Act (which relates to within-grade step increases).

Exclusion from Classification Act of 1949 of crafts, trades, and labor positions and application of prevailing wage policy to such positions

Section 105. Subsection (a) amends paragraph 7 of section 202 of the Classification Act. It removes from the coverage of that act employees in trades or crafts, or in unskilled, semiskilled, or skilled manual-labor occupations the duties of which involve the maintenance and operation of public buildings and associated equipment or the performance of work in scientific or engineering laboratories as aids to scientists or engineers, and other employees including foremen and supervisors in positions having trades, crafts, or laboring experience and knowledge as the paramount requirement. This section provides that the compensation of these employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates. Where, in the opinion of the employing agency and the Civil Service Commission, it is impracticable to so fix the rates because of the small number of these employees in any given area, the rates of compensation for such employees in that particular area shall be fixed at rates of compensation prescribed in the Classification Act of 1949 for positions of equivalent difficulty or responsibility. The effective date of this section is set forth in section 110 (a) of the bill.

Subsection (b) will permit the Architect of the Capitol to compensate employees in crafts and labor occupations, now in the crafts, protective, and custodial schedule, on the basis of prevailing wage rates.

Transfer of certain positions from the crafts, protective, and custodial schedule to the general schedule

Section 106. This section relates to the placement in the general schedule of those CPC positions which are not excluded from the Classification Act by section 105.

Subsection (a) of section 106 directs the conversion from the crafts, protective, and custodial schedule to the general schedule of those employees and positions which do not go to the prevailing wage system. It also converts the existing CPC grades into corresponding grades of the general schedule. Positions covered by this section in grades CPC–1, 2, and 3 are to be converted to grade GS–1 and such positions in grades CPC–4, 5, 6, 7, 8, 9, and 10 are to be converted to grades GS–2, 3, 4, 5, 6, 7, and 8, respectively. No conversion may be made prior to the first day of the second pay period beginning after the date of enactment nor later than the start of the first pay period beginning more than 6 months after such enactment date.

Subsection (b) of section 106 prescribes the specific rules for initially adjusting the basic compensation rates of employees in the crafts, protective, and custodial schedule who are placed in general schedule grades. The rules are as follows:

(1) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is less than the minimum scheduled rate of the grade in the general schedule in which his position is placed, shall have his compensation increased to such minimum rate;

(2) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is equal to one of the scheduled or longevity rates of the grade in the general schedule in which his position is placed, shall be paid at such scheduled or longevity rate;

(3) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is at a rate between 2 scheduled or 2 longevity rates, or between a scheduled rate and a longevity rate, of the grade in the general schedule in which his position is placed, shall be paid compensation at the higher of such 2 rates;

(4) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is in excess of the maximum longevity rate of the grade in the general schedule in which his position is placed, shall continue to be paid basic compensation without any change in rate until he either leaves such position or is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant the rate of basic compensation of any subsequent appointee shall be fixed in accordance with the Classificaion Act of 1949, as amended.

Subsection (c) provides that the conversion to the grades of the general schedule under this section, and the initial adjustments in compensation, shall not be construed to be transfers or promotion within the meaning of section 802 (b) of the Classification Act and regulations issued thereunder.

Abolishments of crafts, protective, and custodial schedule

Sections 107, 108, and 109 abolish the crafts, protective, and custodial schedule and make necessary revisions in the language of the Classification Act to effect that action. Section 107 provides for the continuation of the general schedule of basic compensation and deletes reference to the crafts, protective, and custodial schedule.

Section 108 deletes the grade-level definitions of the crafts, protective, and custodial schedule.

Section 109 deletes the crafts, protective, and custodial schedule of basic compensation and incidental references thereto.

Section 110 relates to effective dates of sections 105, 107, 108, and 109 of title I.

Subsection (a) provides that section 105 (the conversion of employees and positions to prevailing wage rate basis) shall be effective on the date or dates specified by the head of a department but not earlier than the beginning of the second pay period following enactment nor later than the start of the first pay period beginning more than 12 months after the enactment date.

Subsection (b) provides that, with respect to employees and positions in a given department, the crafts, protective, and custodial schedule shall be abolished effective upon the completion of the conversion of employees and positions to prevailing wage rate basis (sec. 105 and the conversion of the remaining employees and positions to the General Schedule (sec. 106)) but, in any event, not later than the first day of the first pay period beginning more than 12 months after the date of enactment of the act.

Miscellaneous provisions

Sections 111 and 112 delete certain obsolete rules relating to the adjustment of salaries to the original pay scales of the Classification Act of 1949. One necessary section, a broad savings clause, is retained and changes are made in references thereto elsewhere in the act.

Section 113 authorizes the Commission to issue regulations for the administration of title I of the bill.

Section 114 is a general overall salary-saving provision. It provides that nothing in the title shall be construed to reduce the existing rate of basic compensation of any present employee, when, for example, he is changed from one schedule to another or from a scheduled rate of pay to a prevailing-rate basis, or by reason of any other provision of this title. When he vacates his position, the compensation of any subsequent appointee to it will be fixed in accordance with the regular scale of pay applicable to such position.

Section 115 provides that the term "department" shall have the same meaning in title I as when used in the Classification Act of 1949, as amended.

TITLE II—AMENDMENTS TO THE FEDERAL EMPLOYEES PAY ACT OF 1945, AS AMENDED

Section 201 of the bill provides that title II may be cited as the "Federal Employees Pay Act Amendments of 1954."

Coverage

Section 202 of the bill makes the coverage of the new title IV added by the bill to the Federal Employees Pay Act of 1945, as amended, the same as the coverage of the other premium-pay provisions of that act. Section 202 also repeals an obsolete subsection (subsec. (b) of sec. 101) of the Federal Employees Pay Act of 1945, as amended.

Compensation for overtime work

Section 203 of the bill amends section 201 of the Federal Employees Pay Act of 1945, as amended. The amended section provides overtime pay at a time-and-one-half rate for employees whose basic salaries do not exceed the maximum scheduled rate of grade GS–9, now $5,810 per annum. For employees above that salary level such section 201, as amended, provides overtime pay at a rate equivalent to time-and-one-half at such maximum scheduled rate of grade GS–9, or at their respective rates of basic compensation, whichever is greater. The present provisions of section 201 of the act provide a time-and-one-half rate of overtime pay for employees whose basic salaries are less than $2,980 per annum and a diminishing scale of overtime pay for employees whose basic salaries are $2,980 or more per annum.

Section 204 of the bill amends the compensatory time off provisions of section 202 (a) of the Federal Employees Pay Act of 1945, as amended. A new provision gives agency heads the authority, which they do not now have, to require employees at salaries above the maximum scheduled rate of grade GS–9 to take compensatory time off instead of receiving overtime pay for irregular or occasional overtime duty. The amendment made by section 204 also continues existing authority for granting compensatory time off, at the request of an employee, in place of pay for irregular or occasional overtime work. In both instances, the time off so provided will compensate

the employee for an equal amount of time spent by him in irregular or occasional overtime work.

Call-back overtime and time in travel status

Section 205, subsection (a), redesignates section 203 of the Federal Employee Pay Act as section 205.

Subsection (b) adds two new sections, 203 and 204. New section 203 provides a minimum of 2 hours' pay at the overtime rate for any employee called back to perform unscheduled overtime work after he has gone home or on one of his days off duty. New section 204 enacts into law principles now established by decisions of the Comptroller General relating to time in a travel status away from the official duty station of an officer or employee. Such time in a travel status is treated as hours of employment only when (a) within the officer's or employee's regularly scheduled work-week, including regularly scheduled overtime, or (b) the travel involves the performance of work while traveling, or is carried out under arduous conditions having the effect of making it inseparable from work.

Compensation for night and holiday work

Section 206 amends the night-differential-pay provisions of section 301 of the Federal Employees Pay Act. The present 10 percent rate of night differential for regularly scheduled work between 6 p. m. and 6 a. m. remains the same. New provisions allow an employee whose regular tour of duty includes night work to be paid night differential for his regular night-work hours when he is excused from work because of a holiday, and for periods of leave with pay during any pay period in which such leave totals less than 8 hours. At present employees receive night differential only for the hours they actually work. This section also authorizes agencies to change the night differential period at overseas posts to the extent required to avoid paying night differential during hours that are customary hours of business in the locality.

Section 207 amends the holiday pay provisions of section 302 of the Federal Employees Pay Act. It continues the existing provision for extra pay at the straight-time rate, in addition to the regular rate, for work on a holiday within an employee's 40-hour basic workweek. It adds a new provision guaranteeing a minimum of 2 hours' pay at the holiday rate for any employee required to work on a holiday. It also states explicitly the present policy under the Federal Employees Pay Act, that overtime work on Sundays and holidays is compensated at the same rates as overtime work on other days.

Special provisions for certain types of work

Section 208, subsection (a), adds a new title IV to the Federal Employees Pay Act. Subparagraph (a) (1) of section 401 of the new title authorizes additional annual pay at rates up to 25 percent of base pay rates, in lieu of all overtime, night, and holiday pay, for employees performing standby duty and having longer than ordinary periods of duty.

Subparagraph (a) (2) of section 401 of the new title authorizes additional annual pay at rates up to 15 percent of base pay rates, in lieu of other pay for irregular or unscheduled overtime duty and for night and holiday duty, for employees whose hours of duty cannot be controlled administratively and who are required to perform substantial amounts of irregular overtime and night and holiday duty, with the employee generally being responsible for recognizing, without supervision, cir-

cumstances which require him to remain on duty. These employees would receive other overtime pay, computed in the usual manner, for regularly scheduled overtime work, officially ordered or approved. This subparagraph is specifically directed at those investigators of criminal activities whose positions meet all the conditions specified. It would permit similar payments to employees in other types of positions in which all the same conditions are present in an equivalent degree.

Additional annual pay under the new title is subject to approval of the Civil Service Commission and is computed on only such part of an employee's base pay as does not exceed the maximum scheduled rate of grade GS–9.

Subparagraph (b) of section 401 of the new title provides that the new title shall not apply to firefighters, who will continue to be paid for overtime, night, and holiday duty under other provisions of the Federal Employees Pay Act.

Subsection (b) prevents the new title from decreasing the existing aggregate rate of compensation of any present employee.

Limitation on premium compensation

Section 209 fixes the maximum scheduled rate of grade GS–15, now $11,800 per annum, as the ceiling rate of aggregate pay beyond which no premium compensation will be paid for overtime, night, or holiday work. This replaces the present ceiling rate of $10,330 in the Federal Employees Pay Act, a former maximum scheduled rate of the corresponding grade CAF–15.

Work schedules

Section 210 adds new provisions on scheduling tours of duty to section 604 (a) of the Federal Employees Pay Act. Except where an agency would be seriously handicapped in carrying out its function or costs would be substantially increased, the new provisions would require tours of duty to be scheduled at least a week in advance; the basic workweek of 40 hours to be scheduled on 5 days, Monday through Friday if possible, and the 2 days outside the basic workweek to be consecutive; the same working hours on each day in the basic workweek; a basic nonovertime workday not in excess of 8 hours; basic workweeks not to be altered because of the occurrence of holidays; and daily tours not to be split by offduty periods of more than 1 hour. Existing mandatory scheduling provisions of the Federal Employees Pay Act would continue in effect. These provisions require agencies to establish a basic workweek of 40 hours on not more than 6 of any 7 consecutive days.

TITLE III—GOVERNMENT EMPLOYEES' INCENTIVE AWARDS

Section 301 establishes a short title, the "Government Employees' Incentive Awards Act."

Section 302 states that the awards program under this title shall be carried out under regulations and instructions issued by the United States Civil Service Commission. It further provides that the Commission shall report the results of the program annually to the President for transmittal to the Congress.

Section 303 defines the term "department." This section will place all Federal departments and agencies except the Tennessee Valley Authority under the provisions of this title.

Section 304 (a) authorizes the head of each department to pay cash awards to and incur necessary expenses for the honorary recognition of civilian officers and employees of the Government in the following circumstances:

1. When such officers or employees have contributed to the efficiency, economy, or other improvement of Government operations by their suggestions, inventions, superior accomplishments or other personal efforts; or

2. When they have performed special acts or services in the public interest in connection with or related to their official employment.

Section 304 (b) authorizes the President to pay cash awards to and incur necessary expenses for the honorary recognition of civilian officers and employees of the Government in addition to departmental awards authorized in section 304 (a) in circumstances where such additional awards or recognition are determined by the President to be warranted.

Section 304 (c) provides that awards authorized in section 304 (a) and 304 (b) may be paid even though the official or employee has died or been separated from the service, provided that the suggestion or other contribution on which the award is based was made while he was in the Government's employ.

Section 304 (d) provides that a cash award under this section shall be in addition to regular compensation of the officer or employee. It also is designed to protect the United States from a claim of any kind which might arise from the acceptance of a cash award by any employee, former employee, or his heirs or assigns. It should be understood that the inclusion of this subsection in the title in no way implies the existence of a claim against the United States in any case in which the award is not accepted or in which the recipient later deems it insufficient. This carries forward the language in existing law to be found in section 14 of the act entitled "An act to authorize certain administrative expenses in the Government service, and for other purposes" approved August 2, 1946, which section is repealed in section 305 hereinafter.

Section 304 (e) authorizes departments to pay cash awards and expenses for honorary recognition from their general appropriations. In addition, it will permit two or more departments which have benefited from a single suggestion or other contribution to share in the cost of the award granted therefor. The President will determine the proportionate amount that each benefiting department will contribute in the case of those awards he authorizes, and the head of each department will determine the amount of the awards he authorizes.

Section 304 (f) states that due weight shall be given to awards made under this title in considering employees for promotion.

Section 305 repeals all existing laws governing incentive-awards programs. Section 702 of the Classification Act of 1949, which authorizes within-grade salary step increases for superior accomplishment is among the laws repealed in this section.

Section 306 establishes the effective date of this title as 90 days after its enactment. This will give departments time to revise their awards programs in compliance with the provisions of this title.

TITLE IV—UNIFORM ALLOWANCES

Section 401 establishes a short title, the "Federal Employees Uniform Allowance Act."

Section 402 authorizes the annual appropriation of funds to Government agencies in amounts up to $100 multiplied by the estimated number of agency employees (1) who are required by existing regulation or by law to wear a prescribed uniform while on duty and (2) who are not furnished with the required uniform. Under rules issued by the Bureau of the Budget the agency head would have to pay out of these funds not more than $100 per year, as prescribed by agency regulations, to each such employee for purchase and upkeep of uniforms. Any amounts allowed for the same purpose under other law or regulation would be deducted from any allowance paid under this title.

Section 403 provides that allowances paid under this title shall not be considered as pay salary or compensation within the meaning of the Civil Service Retirement Act of May 29, 1930, as amended, or as wages within the meaning of section 209 of the Social Security Act, as amended, or subchapter A or D of chapter 9 of the Internal Revenue Code, as amended.

Section 404 authorizes and directs the Director of the Bureau of the Budget to issue necessary rules and regulations for the administration of this title.

TITLE V—ANNUAL LEAVE

Section 501 of this act amends section 2 of the act of August 3, 1950, as amended by section 5 of the act of July 2, 1953, which provides, in part, for the lump-sum payment for all accumulated annual leave to survivors of deceased officers and employees in an amount equal to the compensation that the decedent would have received if he had remained in the service until the expiration of the period of such annual leave. Payment may be made for current accrued leave only where the total does not exceed 30 days. Section 501 so amends this provision to permit current accrued annual leave to be added to the accumulated leave and be paid in a lump-sum payment even though the total leave equals or exceeds the 30-day maximum.

Section 502 repeals section 6 of the act of July 2, 1953 which directed departmental heads to take action for the reduction of accumulated annual leave credited to officers and employees which was in excess of amounts allowable under the applicable provisions of section 203 of the Annual and Sick Leave Act of 1951, as amended.

TITLE VI—GROUP INSURANCE

Under section 602 of the bill, the group insurance program authorized thereunder would cover nearly all civilian employees of the executive, legislative, and judicial branches of the United States Government. The Commission could, by regulation and after consultation with agency heads, exclude persons whose coverage would be administratively impracticable, such as short-term, seasonal, or intermittent employees; no exclusion could be effected solely on the hazardous nature of employment. Noncitizen employees with permanent duty station outside a State or the District of Columbia,

and employees of certain corporations under the supervision of the Farm Credit Administration would be excluded from coverage.

As outlined in section 603, each covered employee would be insured for a sum equal to his annual compensation raised to the next higher multiple of $1,000, with a maximum of $20,000 in any case. If death occurs by accidental means, the amount of insurance would be doubled. Dismemberment insurance is also provided. The amount of insurance would be reduced (without reduction in premium) by 2 percent a month after the individual attains age 65, subject to a maximum reduction of 75 percent.

Section 604 sets up an order of precedence for paying the insurance upon death. This is the same order as contained in the Civil Service Retirement Act for lump-sum death payments and as established by the act of August 3, 1950, for payment of accrued leave, etc., upon death as follows:

1. Designated beneficiary.
2. Widow or widower.
3. Children.
4. Parents.
5. Estate.
6. Next of kin.

Under section 605, an employee may elect not to be insured, but in the absence of such election the insurance is automatic. As his share of premium cost for all 3 types of insurance, there will be withheld from each covered employee's salary an amount not exceeding 25 cents biweekly for each $1,000 of life insurance. The Government will contribute an amount not exceeding one-half the sum withheld from the employee. These employee and Government contributions will be deposited in a special fund in the United States Treasury, which fund will be available for premium payments to insurance companies and for administrative expenses.

Section 606 would terminate the insurance generally upon an employee's separation from service; the separated employee would then be privileged to purchase an individual policy at the standard premium rate. However, if the employee is separated for retirement on immediate annuity with at least 15 years' civilian service or for disability retirement, the life insurance only would continue without further cost to him, subject to reduction after age 65 provided in section 3.

The Commission is authorized by section 607 to purchase, from one or more companies meeting specified qualifications, a policy or policies to provide the proposed insurance benefits. The company or companies selected would be required to reinsure portions of the total insurance with other companies which elect to participate. The formula for apportioning reinsurance would be related to each company's group life insurance already in force but with a weighting to benefit the smaller companies.

Section 608 deals with the premium rates to be charged by the companies, which would be determined by the Commission on a basis consistent with the lowest rates charged large employers for such insurance. Subsequent readjustments would be made if found necessary by experience. Annual reports, accounting for all income and expenses under the policies, would be made by the companies. Any excess of premium income over mortality and other claim charges and

expense and risk charges will be held as an interest-bearing contingency reserve, for use in meeting future charges or for eventual return to the Treasury fund.

As provided in section 609, each insured employee would receive a certificate setting forth benefits to which he and his beneficiary may be entitled, and other related information.

Under section 610, the Commission will act to protect the rights of separated or retired employees now insured through nonprofit associations of Federal employees. Such insured persons would be protected at their present premium rates for life insurance granted prior to January 1, 1954, provided the association terminates all its life-insurance agreements and turns over assets sufficient, if possible, to cover the liabilities involved. Should any such insured separated or retired employee become reemployed in a position in which he would be eligible to insurance as provided by this act, he shall be permitted to elect to have such insurance canceled, and thenceforth to be insured under this act, but he shall not have both.

The Commission would, under section 611, promulgate necessary regulations to administer the program.

Section 612 would establish an Advisory Council on Group Insurance to review operations and advise the Commission on policy matters. The Chairman of the Commission would appoint a committee of five insured employees to advise regarding matters of concern to employees under the program.

Annual reports by the Commission to Congress are required by section 613.

Section 614 would clarify the rights of claimants who may wish to make the United States a party to a court action involving a claim under the program. This section would extend the jurisdiction of United States district courts above the $10,000 limitation now in effect.

The Commission will, under section 615, establish an effective date for the insurance and for contributions.

TITLE VII—MISCELLANEOUS PROVISIONS

Section 701 amends section 2 (b) of the Performance Rating Act of 1950 by exempting the Central Intelligence Agency therefrom. Subsection (b) thereunder repeals section 9 of the Central Intelligence Agency Act of 1949, as amended, which authorizes the Director of the Central Intelligence Agency to establish not more than 3 positions in the professional and scientific field in such agency with compensation at rates (subject to Civil Service Commission approval) of not less than $13,100 nor more than $15,000 per annum. Such provision is no longer needed because of subsequent legislation.

Section 702 repeals section 1310, Supplemental Appropriation Act, 1952 (Public Law 253, 82d Cong.), as amended (commonly known as the Whitten amendment), which places certain restrictions on Government personnel operations.

Effective date

Section 211 provides that title II shall become effective at the beginning of the first pay period which begins more than 60 days after date of enactment.

Agency Reports

Attached hereto are agency reports received on S. 2665 and S. 3507, the provisions of which are embodied in this bill.

United States Civil Service Commission,
Washington, D. C., February 19, 1954.

Hon. Frank Carlson,
Chairman, Post Office and Civil Service Committee,
United States Senate.

Dear Senator Carlson: As requested in your letter of January 12, 1954, we are submitting our views and comments on S. 2665, a bill to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

TITLE I

Title I of the bill includes the following changes in the Classification Act of 1949, as amended: (1) abolishes the crafts, protective, and custodial schedule of the act, moves the crafts, trades, manual labor, and other similar positions now in this schedule to a local prevailing wage rate system and transfers all remaining positions now paid under the CPC schedule to the general schedule of the Classification Act; (2) increases the number of positions authorized in grades GS–16, 17, and 18 to 700 and within this ceiling of 700, removes the limitations on the number of positions allowed at each of these grades; (3) provides for longevity increases for employees serving in positions at grades GS–11 to GS–15; and (4) authorizes the Civil Service Commission to make temporary adjustments of minimum pay rates in order to recruit and retain needed personnel.

The Civil Service Commission favors these proposals in title I. Our specific comments on each proposal are presented below under appropriate headings.

(*a*) *Abolition of CPC schedule*

Section 102 (a) would remove maintenance workers in crafts, trades, manual labor, and other similar positions from the crafts, protective, and custodial schedule of the Classification Act of 1949, and pay them on a local prevailing rate basis. Section 103 would transfer all remaining positions in the CPC schedule to specified corresponding grades of the general schedule. Section 104 (b) would establish a time limit for these transfers, and would provide that until such transfer is effected the compensation received by these employees shall be at rates presently prescribed by the Classification Act of 1949, as amended.

There are now approximately 116,000 positions in the CPC schedule. Approximately 69,000 of these are maintenance jobs in crafts, trades, and manual labor. Over 750,000 similar Government crafts and labor positions in production and construction work are paid on the basis of local prevailing wage rates. This means that employees having similar qualifications, performing similar duties, appointed from the same civil-service lists, and many times working side by side are paid at different rates. The proposed legislation is necessary to eliminate this pay inequity. This action is also necessary to place the Federal Government in a better competitive position with private industry in the recruitment and retention of blue-collar workers.

Moving the approximately 69,000 crafts and labor positions to a local prevailing rate basis would leave approximately 47,000 positions in the CPC schedule. The proposed legislation would transfer these 47,000 jobs (consisting of such occupations as guards, messengers, and fire fighters) to the general schedule of the Classification Act of 1949. This would simplify the pay structure of the Classification Act. The number of grades under this act would be reduced from 28 to 18.

We estimate that the total cost of placing the approximately 69,000 of the present CPC schedule jobs on a prevailing-wage basis and transferring the other 47,000 to the GS schedule would be approximately $36,500,000 on an annual basis under current conditions.

We recommend two changes in language to make clear the intent of the provisions concerned. We propose the following clarifying language as a substitute for the last proviso in section 102 (a), page 2, lines 15 to 23, of the bill: "*Provided further,* That whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make prevailing-rate determinations impracticable, such employee or employees shall be subject to the provisions of the Classification Act of 1949, as amended, which are applicable to positions of equivalent difficulty or responsibility."

This change in language would make clear that when such employees were not paid on a local prevailing rate basis, they would be subject to all the provisions of the Classification Act of 1949, as amended, rather than merely paid in accordance with the pay rates of that section. This would assure that the employees affected by the provisions of section 102 (a) of S. 2665 would be treated in the same manner as other employees covered by the provisions of the Classification Act of 1949.

The second language change we suggest applies to section 104 (b) to make clear that the positions now in the CPC schedule would continue until the transfer to the general schedule and the wage board system is completed:

"With respect to employees and positions to which sections 102 (a) and 103 of this title apply, the provisions of the Classification Act of 1949, as amended, and any provisions of law and regulations controlling pay adjustments which were in effect on the date of enactment of this act, shall continue in effect for any such employee or position until compensation shall have been fixed in accordance with the provisions of this title."

(b) Increase in the number of positions authorized in grades GS–16, 17, and 18

Section 102 (b) would authorize 700 positions in grades GS–16, GS–17, and GS–18, without limitation as to the number of positions at each of these grades. The present conditions in the Classification Act of 1949 requiring the approval of the Civil Service Commission of positions placed in grades GS–16 and GS–17 and requiring the approval of the President of positions placed in GS–18, would continue.

The Classification Act of 1949 specifically provides a ceiling of 400 on the number of positions that may be authorized at grades GS–16, 17, and 18. The act provides for 25 positions at GS–18, 75 at GS–17, and 300 at GS–16. We are in accord with the provisions of section 102 (b) of S. 2665 to raise the ceiling to 700 and to eliminate all limitations on numbers allowed at each of these grades.

At present, 465 positions in grades GS–16, 17, and 18 have been authorized in addition to those specifically provided by the Classification Act. These are authorized for given agencies and programs through the Defense Production Act and various reorganization plans and appropriation acts. These positions are provided to meet particular special needs and would not be affected by the proposed general legislation.

An increase in the number of positions at grades GS–16, 17, and 18 is necessary in the interests of Government program requirements, sound and equitable pay administration, and accurate position classification. The Civil Service Commission recently asked for agency estimates of their need for positions at these grades. Approximately 700 additional positions were requested by the Federal agencies involved. Initial Commission review indicates that at least 300 of the requested positions warrant classification above grade GS–15 on the basis of their duties and responsibilities.

Almost half of the requested additional positions are in the fields of engineering and scientific research; many others include the heads of important administrative organizations, or are key Government positions in such fields as law, accounting, statistics, and economics. The provision of appropriate pay rates for these positions would help place the Government in a fair competitive position with private employers for shortage skills, and assist in the retention of top-level personnel.

None of the 300 positions which warrant classification above grade GS–15 can be placed in the correct grade because of the present Classification Act ceiling. Thus the present ceiling actually is contrary to the policy of equal pay for substantially equal work expressed by Congress in the Classification Act. This creates serious pay inequities among employees, some of whom receive considerably less pay than their work assignments call for.

The limitation on numbers of positions at each grade over GS–15 also hampers effective administration and correct classification of jobs. For example, although a position warrants classification at grade GS–18 it may be impossible to place it in that grade because the quota for grade GS–18 positions is filled. As a result the position must be placed in grade GS–17, or even GS–16, depending on the availability of spaces in these grades. Under this proposal, the Civil Service Commission would continue to maintain close control on the number of positions at each grade through prior review and approval of every classification action above grade GS–15.

We estimate that the salary cost of placing 300 additional positions in grades above GS–15 would approximate $550,000 a year.

(*c*) *Provision for longevity increases in grades GS–11 through GS–15*

Section 102 (h) of S. 2665 would authorize longevity-step increases for employees in grades GS–11 through GS–15. We believe this proposal is sound. Longevity-pay increases are now limited to employees at grades GS–10 and CPC–10 and below. Approximately 11 percent of the Classification Act employees are above these grades. The incentive provided by longevity-pay increases is as essential in grades GS–11 to GS–15, where opportunities for advancement are more limited, as it is in the lower grades.

At present, about 13,000 employees in grades above GS–10 are at the top of their grades. Not all employees at the top of their grades are eligible for longevity-step increases and some are eligible for more than one such increase. We estimate that about 8,000 employees over grade GS–10 might now qualify for longevity-step increases. On this basis, the first-year cost of the proposed legislation for employees in the executive branch would be approximately $1,585,000; in the following year the additional cost would be substantially reduced.

(*d*) *Authorization to the Civil Service Commission to make temporary adjustments of minimum pay rates to recruit and retain needed personnel*

Section 102 (j) would authorize the Commission to use one of the within-grade salary steps as the minimum rate for certain Classification Act jobs whenever necessary to fill positions that could not otherwise be filled. We endorse this legislative proposal. The Commission's recruiting experience indicates that for certain types of jobs in specific localities it is sometimes impossible to obtain persons who will accept Government employment at the minimum rate of the appropriate Classification Act grade. Where this is true, in the interests both of recruiting and retaining qualified workers, the Commission should be able to set a proper within-grade salary rate as the official minimum rate for given positions in specified agencies and localities.

Pay above the minimum rate would be authorized only where absolutely necessary to recruit and keep employees who cannot be obtained at the minimum rate. These within-grade rates would be reexamined periodically and reduced to the minimum rate of the grade as soon as recruitment conditions allowed.

TITLE II

Title II of S. 2665, which amends the Federal Employees Pay Act of 1945, as amended, includes the following items: (*a*) Compensation for overtime work, (*b*) call-back overtime pay, (*c*) time in travel status, (*d*) pay for nightwork, (*e*) compensation for holiday work, (*f*) special provisions for certain types of work, (*g*) limitation on premium compensation, and (*h*) scheduling tours of duty.

(*a*) *Compensation for overtime work*

Section 202 (b) would provide for (*a*) overtime pay at a time-and-one-half rate for employees at salaries up to the top rate of grade GS–9, now $5,810 a year, (*b*) overtime pay at a rate equivalent to time and one-half at the top rate of grade GS–9 for employees above that salary level, and (*c*) an increase in the ceiling on aggregate pay (regular salary plus premium pay) to the top rate of grade GS–15, now $11,800. The Commission favors these proposals.

Under the present Federal Employees Pay Act, the time-and-one-half rate applies only to salaries of $2,980 and below. Extending the time-and-one-half rate to salaries above $2,980 is necessary to maintain a reasonable degree of consistency with the original intent of the act, standards set for industry by Federal laws and regulations, and existing practices of American industry. Under present salary schedules, $5,810 would be the maximum salary to which the time-and-one-half rate would apply.

For employees whose salaries are now above $5,810, the bill would set a fixed dollar-and-cents hourly rate of overtime pay, equal to the time-and-one-half rate on a salary of $5,810, the top rate of grade GS–9. Overtime pay above grade GS–9 is essential to maintain reasonable differentials in aggregate pay rates between employees and their supervisors when the workweek is extended, for example, to 48 hours. The Federal Government does not have available the devices used by American business to meet this need, such as lump-sum salary adjustments and various kinds of bonuses.

Section 202 (c) would give agency heads the option of granting compensatory time off instead of overtime pay for irregular or occasional overtime duty performed by employees whose salaries are above the top of grade GS–9. This would provide needed flexibility to agency heads who do not now have this option.

(*b*) *Call-back overtime pay*

Section 202 (d) of this title would guarantee a minimum of 2 hours' pay at the overtime rate for any employee called in for overtime work on a nonwork day or during off-duty hours. This would be generally consistent with industry practice, and would protect employees from being called in for assignments of such short duration that pay for only time on duty would be grossly inadequate compensation for the inconvenience. The Commission endorses this provision.

(*c*) *Time in travel status*

Section 202 (d) of this title would provide that time spent in a travel status away from the official-duty station of any officer or employee shall be considered as hours of employment only when (*a*) within the days and hours of such officer's or employee's regularly scheduled workweek, including regularly scheduled overtime, or (*b*) the travel involves the performance of work while traveling or is carried out under arduous conditions. This section would enact into law the principles currently expressed in rulings of the Comptroller General on overtime of employees in a travel status. The Commission endorses this provision.

(*d*) *Pay for nightwork*

Section 202 (e) would permit employees whose regular tour of duty includes nightwork to be paid night differential for periods of absence with pay during such hours due to holidays, and for periods of leave with pay totaling less than 8 hours during any pay period. At present employees receive night differential only for hours actually worked. This provision would eliminate administrative costs occasioned by the excessive paperwork necessary to make the many minor payroll changes required by the existing statute.

Section 202 (e) also would permit agencies to change the night differential period at overseas posts to the extent necessary to permit conformance with customary local hours of business without paying night differential. For example, customary local hours of business in a tropical country may extend to 8 p. m., to take advantage of the cooler hours of the day. In this case, under the provisions of this section, agencies could limit the night differential period to hours after 8 p. m.

The Commission favors the proposals contained in section 202 (e).

(*e*) *Compensation for holiday work*

Section 202 (f) of the title would provide that additional pay for holiday work would be at the same rate as the regular overtime rate, which is one and one-half times the employee's basic compensation, and establishes a minimum compensation of 2 hours for such holiday work. The Commission does not favor the provision increasing the aggregate compensation for holiday work until such time as a study is made on the possible policy and cost impact of such an increase on those employees who are not covered by the Federal Employee Pay Act.

We do, however, favor the provision establishing a minimum of 2 hours' compensation for work performed on holidays. Such compensation would be at the present rate of holiday pay, and would be consistent with the minimum guaranty of 2 hours' pay for overtime work performed on a nonwork day or during off-duty hours contained in section 202 of this title.

The following substitute amendment is suggested, which would continue the present rate of holiday pay, establish a 2-hour minimum at the present rate, and change the language to conform with language used to describe premium pay in other sections of the title:

"(f) Section 302 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

" 'SEC. 302. (a) All work not exceeding eight hours, which is not overtime work as defined in section 201 of this Act and which is performed on a holiday designated by Federal statute or Executive order, shall be compensated at the rate of basic compensation of the officer or employee performing such work on a holiday plus premium compensation at a rate equal to such officer's or employee's rate of basic compensation. Any officer or employee who is required to perform any work on such a holiday shall be compensated for at least two hours of such work, and any such premium compensation due under the provisions of this section shall be in addition to any premium compensation which may be due for the same work under the provisions of section 301 of this Act providing premium compensation for nightwork.

" '(b) Overtime work, as defined in section 201 of this Act, on Sundays and such holidays shall be compensated in accordance with the provisions of such section 201.' "

(f) Special provisions for certain kinds of work

Section 202 (g) of the title would provide that employees with long tours of standby duty may receive additional annual pay at rates up to 25 percent of their base pay rate. Like overtime pay for other employees, the additional annual pay would be computed on only the first $5,810 of an employee's basic salary rate and would be subject to the ceiling of the top of GS–15 (presently $11,800) on aggregate pay. The additional annual pay would take the place of all other overtime, night, and holiday pay. Because they would already be on duty for 48 or more hours a week, as a rule, these employees would not be affected by any extension of the Federal workweek.

Also, section 202 (g) would provide additional annual pay, not in excess of 15 percent of base pay rates, for employees whose hours of work are not subject to the usual administrative control and whose duties require substantial amounts of unscheduled overtime, night, and holiday work. To maintain consistency with other overtime compensation, the additional annual pay would be computed on only the first $5,810 of any employee's basic salary rate and would be subject to the ceiling of the top GS–15 (presently $11,800) on aggregate pay. The additional annual pay for such employees would take the place of other pay for unscheduled overtime work and for night and holiday duty. These employees, in addition, would receive overtime pay on the same basis as other employees when the workweek is extended, for example, to 48 hours.

The two special types of Federal employment covered by this section do not fit well within the standard overtime-pay provisions. Some employees, such as firefighters, are on duty for long periods but are in a standby status for much of their time on duty, at their stations ready to answer any calls but not performing actual work. Hours of work of certain other employees, such as investigators of criminal activities, cannot be controlled administratively in the usual way. Such assignments as trailing suspected criminals require substantial amounts of unscheduled overtime work and night and holiday duty. While the Federal Employees Pay Act presently includes these two groups under its hourly premium pay provisions, serious administrative problems have been caused by the large amount of irregular overtime or standby duty required of these employees.

The Commission supports the proposals in section 202 (g). Additional compensation on an annual basis for these two groups would be easy to administer, fair to the Government, and equitable for the employees covered. The latter would be especially true for those investigators whose peculiar working conditions now frequently require substantial amounts of overtime work without any pay at all, and for those employees who are required to perform a large amount of standby duty.

(g) Limitation on premium compensation

Section 202 (h) increases the ceiling on base pay plus overtime pay from the present amount of $10,330 (the previous top of GS–15) to the top rate of GS–15 (at present $11,800). The proposed ceiling would then conform with the ceiling used for such other purposes as the proposed extension of longevity rates and rates for Government experts and consultants.

(h) Tours of duty

Section 202 (i) would include a statutory statement of policies on work schedules of employees covered by the act. The policies expressed would be followed except where an agency would be seriously handicapped in carrying out its functions or costs would be substantially increased. The statement would require weekly tours of duty to be scheduled in advance; on 5 days of the week; Monday through Friday if possible; the 2 days off to be consecutive; the same working hours each day; workdays not in excess of 8 hours; that the basic workweek not be shifted to avoid holidays; and that work schedules not include split shifts with a break of more than 1 hour.

It is recognized that some Government activities, such as operation of hospitals, weather services, and airways communications and flight control, require Sunday duty. Others, such as construction inspection, which are necessarily synchronized with hours of contractors or other business establishments, may require more than 8 hours of work on some days, and cannot always be scheduled in advance. In these and similar circumstances, the Government should be permitted to schedule unusual tours of duty for employees whenever operating requirements do not permit normal work schedules, without being penalized by having to pay premium pay rates solely because of the deviation from the usual tours of duty. However, we believe also that employees should be assured that they will not be assigned to undesirable tours of duty unnecessarily. The proposed section will accomplish this objective and is favored by the Commission.

TITLE III

Title III of S. 2665, which establishes a new "Government Employees' Incentive Awards Act," consolidates all authorities for all type sof awards, places direction of the governmentwide incentive awards program with the Civil Service Commission, and provides for other improvements in the Government's incentive awards systems. The Civil Service Commission strongly favors the enactment of this proposed legislation which should make possible even greater benefits in savings and improved operations than have resulted from the awards programs now in operation.

By consolidating existing laws authorizing incentive awards, S. 2665 would simplify administration of a coordinated governmentwide program. The bill would also remove another obstacle to effective management by making the Civil Service Commission responsible for direction of the entire Government's incentive awards program. At present, this responsibility is diffused. We agree that the Civil Service Commission is the logical agency to administer the program which is primarily a personnel management function.

S. 2665 would expand the coverage of the awards program. At present for example, employees paid under wage board authority and under the Postal Pay Act are not eligible for awards authorized under the Classification Act of 1949. We endorse the provisions to make awards available to all employees. We also agree with the provision for making awards on the basis of governmentwide savings and on savings in an agency other than the one in which the award winner is employed.

We concur with the provisions of S. 2665 to remove present statutory limits on total agency suggestion awards and individual awards. These statutory limits have the undesirable effect of restricting the number and dollar value of awards which can be made for worthwhile suggestions.

We strongly endorse the provisions for Presidential awards in section 304 (b) of S. 2665. This would provide a valuable incentive to improved employee performance and would increase public understanding of the work of the Federal service.

S. 2665 would eliminate salary increase awards and authorize cash awards in their stead. This is a desirable change which would avoid the inequities now resulting from awards scaled according to base pay rate rather than according to achievement.

Elimination of salary increase awards requires repeal of all of title X of the Classification Act except the first selection. This section deals only with the Government's management improvement program and does not mention awards. To reflect this fact, we recommend that the heading of title X be amended to eliminate the words "and awards."

S. 2665 would correct inequities in present statutory authorities covering awards for inventions. These authorities apply to different employee groups, and do not afford uniform treatment. In some cases private relief bills have been used to provide rewards for employee inventors. Under S. 2665, inventions would be covered under a governmentwide incentive awards program.

The proposed legislation would provide comprehensive authority for invention awards throughout the Federal civilian service. Under the bill, the Tennessee Valley Authority, like other agencies, would not need its present invention awards authority. To repeal this remaining separate authorization in the interests of complete and clean-cut consolidation of incentive awards law, we recommend that section 305 of the bill be amended by the addition of a paragraph to read as follows:

"(h) The second proviso clause in section 5 (i) of the Act of May 18, 1933 (16 U. S. C. 831d (i))."

To correct an apparent typographical error, we recommend that the letter "s" be striken from the word "heads" in line 12 on page 20 of the bill.

TITLE IV

Title IV of the bill, cited as the "Federal Employees Uniform Allowance Act," provides for an allowance for uniforms to civilian employees of the United States who are required to wear uniforms in the performance of their duties. The Commission does not favor this proposal at the present time. A study by the Bureau of the Budget in 1951 indicated that 270,000 civilian employees were required to wear uniforms. Since the allowance for the purchase and maintenance of uniforms would be an amount up to $100 per annum, the annual cost of this bill would be substantial. Weighing the benefits to be derived from this

legislation against the President's policy of curtailing expenditures wherever possible, we do not recommend such legislation at this time.

TITLE V

Title V of S. 2665 would repeal section 1310 of the Supplemental Appropriation Act, 1952 (Public Law 253, 82d Cong.), as amended by section 1302 of the Third Supplemental Appropriation Act, 1952 (Public Law 375, 82d Cong.). The present legislation places a number of restrictions on personnel actions within and outside the competitive civil service for the duration of the emergency proclaimed by the President on December 16, 1950. The Commission strongly endorses the action proposed in title V of S. 2665.

We believe that the specific and precise requirements presently spelled out in section 1310 of the Supplemental Appropriation Act, 1952, as amended, have brought about an unfortunate rigidity in Federal personnel management. This rigidity has resulted in red tape and complexity, increased the cost of personnel management, and created inequities for many employees in the Federal service.

Although the original provisions of this legislation have been amended twice, new problems have always arisen as a result of the amendments. Other problems in the original provisions have not been taken care of by the amendments. The Commission has made every effort to administer this personnel legislation in as practicable a manner as possible. However, it has not always been able to allow that flexibility in personnel management which might seem to be in the best interests of the service and in accord with the intent of Congress because of the precise language used in the legislation.

In summary, our views are that an attempt to spell out precisely by legislation the administrative steps to be taken in the field of emergency personnel management has not been successful; and that the greatest need in this emergency situation is to provide the President with the flexibility necessary to meet the overall objectives of Congress by administratively adapting personnel procedures to changing circumstances.

The Bureau of the Budget has advised us that it has no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,

JOHN W. MACY, Jr.
(For and in absence of Philip Young, Chairman).

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., February 19, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: This will acknowledge receipt of your letter of January 19, 1954, requesting the views of this Office with respect to S. 2665, a bill to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

Title I of S. 2665 would amend the Classification Act of 1949, as amended: (1) To provide for compensation on a prevailing locality rate basis of certain crafts, protective, and custodial positions now subject to the act; (2) to consolidate the remaining positions of the crafts, protective, and custodial schedule of the act with those of the general schedule; (3) to increase from 400 to 700 the number of positions authorized to be placed in grades GS–16, 17, and 18, and to remove the restriction on the number of positions which may be placed in each of these grades; (4) to permit establishment of entrance rates higher than the minimum rate of the grade for positions in shortage categories; and (5) to authorize longevity step increases in grades GS–11 through GS–15. This Office favors the objectives sought by the provisions of title I.

Title II of the bill would amend the Federal Employees Pay Act of 1945, as amended, to revise the overtime, night, and holiday pay provisions of the act and to add new provisions with respect to premium pay for standby service and for irregular and unscheduled overtime duty. This Office generally favors the objectives of title II. Establishment of a uniform premium pay plan including full time-and-one-half overtime rate for employees in all Classification Act grades through the maximum of GS–9 would be desirable. It is the view of the Bureau

of the Budget that this premium pay plan should ultimately control premium pay for all employees whose base pay is established under the Classification Act. As to holiday pay, establishment of a premium pay rate that would result in the payment of 2½ days pay for 1 day's work performed on a holiday is not endorsed. We recommend, in lieu of this provision in S. 2665, approval by the committee of language which the Civil Service Commission is submitting for your consideration.

Title III would establish a new incentive awards program on a government-wide basis, with responsibility for administration centered in the Civil Service Commission, by consolidating into one basic statute existing awards authorizations contained in the Classification Act and in several individual agency authorities. This office favors the objectives of title III.

Title IV, cited as the Federal Employees Uniform Allowance Act, proposes a cash allowance of $100 for each employee required by law or regulation to wear a uniform in the performance of official duty, under regulations prescribed by the Director of the Bureau of the Budget. This office recommends against favorable consideration of this and other similar pending proposals at this time.

Title V of the bill proposes the repeal of the current restriction on appointments and promotion contained in section 1310 of the Supplemental Appropriations Act, 1952. This office favors such repeal.

Sincerely yours,

ROWLAND HUGHES, *Acting Director.*

DEPARTMENT OF AGRICULTURE,
Washington, D. C., March 2, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate.

DEAR SENATOR CARLSON: This is in reply to your request of January 12, 1954, that the Department express its views on S. 2665, a bill to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

TITLE I

The important provisions of title I, which is to be cited as the Classification Act Amendments of 1954, are—

(1) Those abolishing the CPC schedule and establishing the General schedule (GS) as the single basic pay scales of the Classification Act;

(2) Those which will have the effect of transferring building and maintenance jobs to the prevailing rate system;

(3) The provisions increasing the number of positions that may be placed in the so-called supergrades, GS–16, 17, and 18, from 400 to 700;

(4) Those raising the limit for longevity step-increases from GS–10 to GS–15; and,

(5) Those which will authorize the Civil Service Commission to establish a rate above the minimum of the grade as the in-hiring rate in areas or locations where the difficulty of finding a sufficient number of qualified eligibles without doing so may justify such action.

The Department favors establishment of a single pay scale as proposed in the bill. Such a scale should be administered so as to permit as few exceptions as possible. At the same time, in view of the large number of other similar jobs already being paid in accordance with local prevailing rates, we would not object to the amendment under which building and maintenance jobs now under the CPC schedule would be transferred to the prevailing rate system. An estimated total of 1,500 full-time jobs at over 400 locations would be affected in this Department. We believe that eventually, some solution will have to be found for the problems that constantly arise over discrepancies in Classification Act rates for administrative personnel as compared with prevailing rates for blue-collar workers at locations where the two work in close proximity. This problem is intensified as coverage of the prevailing rate system is extended. If the proposed transfer of additional jobs to that system is approved, then we trust that a proviso like the one at the end of section 102 (a) of the bill will be retained so that it will be possible thereafter to fix Classification Act rates administratively for trades and labor jobs in those areas where they exist in such small numbers as to make prevailing rate determinations impracticable.

We endorse an increase in the number of supergrade positions allowed for the Government as a whole. The present allocation to the Department is considerably below existing needs.

The remaining provisions of title I appear to be desirable as steps to improve the Federal pay structure and assure proper and efficient administration of basic rates.

TITLE II

Title II of the bill would raise the limit under which true time and one-half for overtime is paid from the present $2,980 per annum to the maximum rate of grade GS–9 (currently $5,810 per annum). It is recommended that this change be approved since it will help correct the situation under which employees in GS–7 and above now receive more for straight time than they do for overtime, and GS–4 secretaries receive more for straight time than supervisors in GS–12 and above receive for overtime.

With respect to the provision of title II that would enable heads of departments and agencies to require employees receiving more than the maximum scheduled rate of GS–9 to take compensatory time off, rather than cash payments, for irregular or occasional overtime work, a small amendment might be desirable. This provision is written to indicate that such employees shall be compensated "with not more than an equal amount of compensatory time off." Under such language it is possible that less than equal compensatory time off could be granted. It is recommended that the language be changed to read "with an equal but not greater amount of compensatory time off" to assure that such lieu time off will be granted on an hour-for-hour basis.

Under this title, the premium for worked holidays would be fixed to correspond to overtime pay so that employees would receive straight time and in addition the regular overtime premium if required to work on any such day. This change would give employees paid $8,560 or under more pay for worked holidays, and those paid over $8,560 slightly less pay, than they receive at the double-time rate under existing law. We suggest, in lieu of this provision, that the committee approve language which the Civil Service Commission is submitting for your consideration.

This title also states the conditions under which time in a travel status is compensable, guarantees a minimum of 2 hours' overtime pay for callback overtime, and permits some time other than 6 p. m. and 6 a. m. to be designated as the beginning and ending of night tours of duty under certain conditions outside the District of Columbia and the 48 States. We feel that the first of these amendments, which would clarify the question of how much time spent in a travel status is compensable, should be approved. The minimum guaranty on callback overtime is a provision which this Department has recommended before. It is desirable to have such a provision in areas where, as in New York, employees may spend more time on the way to and returning from the place where the overtime work is to be performed than they will be required to spend on the work itself at such place. The amendment in regard to the designation of night tours covers situations with which this Department has had little if any experience, but we see no reason why the greater discretion that would be allowed under the proposed language should not be granted.

A further amendment under this title would change the provisions governing night pay differential with a view to enabling employees assigned to night work to be paid the 10 percent differential during absence on a holiday, provided the holiday was otherwise "with pay," and to receive the differential during periods of leave with pay up to 8 hours at night. It is our understanding that this change would bring Government practice into line with general industrial and commercial practice relative to night pay for the periods in question. Its approval also is, therefore, recommended.

TITLE III

Title III repeals present laws dealing with incentive awards and substitutes a single authority for two major types of recognition, namely, honor and cash awards. Responsibility for issuing regulations is placed in the Civil Service Commission.

The effect of these changes is desirable since it assures uniformity in the application of the law to all employees, and uniformity in incentive awards and in the regulations governing the issuance of such awards.

It is not clear whether it is intended, under the provisions of the bill, to authorize the granting of length-of-service awards for longevity as is presently done under authority of Public Law 600, dated August 2, 1946. This Department has found

that the granting of such awards recognizing long and faithful service is appreciated by employees and represents an important additional incentive to effective public service. Accordingly, it is recommended that the bill or legislative history clearly indicate an intention to authorize length-of-service awards. To accomplish this by amending the bill, we recommend, on page 19, line 8, the addition of the following sentence: "Honorary recognition may also be given to civilian officers and employees of the Government for long service."

If the committee prefers to reflect its intention in the legislative history, we recommend that the following statement appear in the committee report:

"The committee recognizes that under existing authority which this bill repeals, Government agencies are granting awards for length of service. It is the intention of the committee that this practice may continue under this bill."

TITLE IV

Title IV of the bill refers to only two groups of employees. One is the fire fighters and other classes of workers who are required to remain in a standby status for a substantial amount of their time on duty; the other group includes employees performing substantial amounts of unscheduled overtime, night, and holiday work where the hours of duty cannot be controlled administratively. The bill would authorize differentials up to 25 percent of base pay for the first group and up to 15 percent of the second. We believe this would provide a workable system which could be administered on the basis of regulations issued by the Civil Service Commission, or by the agencies with Commission approval.

Other provisions contained in title IV would preclude payment for overtime, night, or holiday work to employees whose basic or aggregate rate of pay would exceed the maximum scheduled rate of GS–15. The existing limitation is $10,330. Raising the limitation to the maximum indicated would place it approximately a grade higher than it is at present and would have the advantage of tying in to an actual rate, which the $10,330 under existing law fails to do.

This title also provides for a uniform allowance annually of $100 to defray the expenses of acquisition and upkeep of prescribed uniforms. The provision is desirable since employees who are required to wear uniforms frequently are at a financial disadvantage in relation to other employees who do not have to bear such cost personally. However, in view of the President's desire to limit expenditures wherever possible, we do not recommend enactment of this provision at this time.

TITLE V

Repeal of section 1310 of the Supplemental Appropriation Act, 1952, as provided for in title V would be helpful in the recruitment and retention of desirable personnel. Inability to offer permanent appointment for most positions and restrictions on promotion have acted to deter prospective applicants from seeking Government employment.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE, *Under Secretary.*

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D. C., January 29, 1954.

Hon. FRANK CARLSON,
Chairman, Post Office and Civil Service Committee,
United States Senate.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of January 12, 1954, acknowledged by telephone January 15, enclosing a copy of S. 2665, 83d Congress, 2d session, and requesting my views and comments with respect thereto.

The bill contemplates certain amendments to the Classification Act of 1949, as amended, the Federal Employees Pay Act of 1945, as amended, and other legislation concerning matters which on the whole have been the subject of official and unofficial consideration throughout the Government over a period of several years. It is believed that, aside from its beneficial character from the viewpoint of employees, the bill provides for substantial improvements in Government administration. The bill, as drafted, reflects a careful study by the author, both as to the substance and form. It is recommended, however, that consideration be given to modifying the language of the proposed amendment of section 302 (a) of the

Federal Employees Pay Act of 1945, as amended (p. 13, line 20 of the bill), to require as a condition to entitlement to holiday compensation that work performed on holidays be authorized or approved as in the case of overtime work.

Also, there are some matters which I would like to bring to your attention for consideration in connection with the bill. In construing the language of sections 203 and 603 (b) of the Federal Employees Pay Act of 1945, as amended, this Office felt impelled by the clear language of the latter section to rule in 26 Comptroller General 658, and again in Office decision of June 19, 1951, B–102754, to the Secretary of the Navy, that wage board employees compensated on a monthly or per annum basis—as distinguished from a per diem or per hour basis—are subject to the limitation of $10,000 (later increased to $10,330) prescribed by section 603 (b) of the act. That rule recently was reaffirmed in Office decision published in 33 Comptroller General 53. The departments and agencies employing large groups of wage board employees have expressed concern about the result of this ruling, in that in some instances per diem or per hourly wage board employees who perform overtime services receive compensation in excess of supervisory per annum or monthly wage board employees who work the same overtime hours, but are prevented from receiving compensation for any pay period at a rate in excess of $10,330 per annum by virtue of the limitation previously referred to. Of course that limitation would be raised to $11,800 by this bill, but the same situation might prevail in the future. If it be determined to eliminate this apparent inequity it could be accomplished by adding another sentence to the amendment to section 603 of the Federal Employees Pay Act of 1945, as amended, appearing on pages 16 and 17 of the bill, to read as follows:

"This section shall not apply to employees whose basic rate of compensation is fixed on an annual or monthly basis and adjusted from time to time by wage boards or similar administrative authority serving the same purpose."

Section 703 of the Classification Act of 1949, authorizing longevity step increases requires, among other qualifying conditions, 3 years of continuous service without change of grade or rate of basic compensation. In the current program of decreasing the level of Government employment, it is a necessary incident that numerous employees be demoted in grade. It not infrequently happens that, at the time of demotion, an employee has served 1 or more years in the maximum scheduled step or one of the longevity steps of his higher grade. Under existing law credit for such service is lost because of the change of grade or rate of basic compensation incident to the demotion of the employee, if he be placed in the maximum scheduled step or a longevity step of the lower grade, must again begin to serve the required 3-year period before he qualifies for a longevity step increase in the lower grade. It is not too evident that the provisions of existing law in that respect are consistent with the purpose and intent of the Congress in providing for longevity benefits. It is suggested that you may wish to have this situation corrected by the present bill.

Another situation which it is deemed pertinent to invite to the attention of the committee concerns the practice in some of the departments and agencies of requiring certain specialized employees to remain in a standby status at their homes instead of their place of work. It is understood that this practice originated in order to avoid the additional cost of keeping employees on the job to repair and maintain complicated electronic equipment and paying them overtime compensation since they might be needed only for a short period of time during a particular shift. If called back to duty such employees now are paid overtime compensation only for the period actually worked and if not called receive no compensation whatsoever. The employees apparently have objected to this arrangement and while the provision in the bill for a minimum of 2 hours of overtime compensation for employees called back to duty will help to alleviate the situation, it may be the committee would desire to recommend that some form of compensation—preferably to be authorized in the discretion of the agency—be provided for employees who are requested to remain in a standby status at home which could be similar to that now contained on pages 14 and 15 of the bill with reference to employees remaining in a standby status within the confines of their official stations.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE,
LEGISLATIVE AND PUBLIC AFFAIRS,
Washington, D. C., February 24, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate,

DEAR MR. CHAIRMAN: This is in response to the request for the views of the Department of Defense on S. 2665, a bill to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

The Department of Defense strongly urges the enactment of S. 2665. The major features of S. 2665 long have been advocated by the Department of Defense as necessary to eliminate many existing difficult administrative problems, inadequacies in premium compensation, and a confused system of incentive awards.

Title I, section 102, amending section 202 (7) of the Classification Act of 1949, as amended, and title I, section 103, are considered of major importance to the Department of Defense. Section 102 would exempt from the Classification Act of 1949 certain employees in the crafts, trades, and other positions, and require that such employees be paid, where appropriate, in accordance with prevailing rates. Title I, section 103, would abolish the crafts, protective, and custodial schedule in the Classification Act and transfer to the general schedule those employees and positions now under the CPC schedule which are not exempted from the Classification Act by this legislation. Both these provisions are strongly supported by the Department of Defense and our views concerning the necessity for this legislation are fully set forth in a letter to you dated January 13, 1954, in support of S. 2302, a bill which is substantially similar to title I, sections 102 and 103 of S. 2665.

By way of technical comment it is believed that the second proviso to paragraph (7), section 205 of the Classification Act (beginning at line 15, p. 2 of S. 2665), should contain a statement to indicate that employees paid thereunder will be considered to be employees subject to the Classification Act for all purposes. This can be accomplished by adding the following language at the end of the proviso at line 23, page 2 of S. 2665: "and in such cases the employees affected shall for all purposes be considered as being subject to the Classification Act of 1949."

With reference to page 3, paragraph (c) of the proposed amendment to section 505 of the Classification Act, it is this Department's opinion that grades GS–16, 17, and 18 are a regular part of the general schedule to which positions are allocated in accordance with the allocating factors and principles set forth in the Classification Act of 1949. It is, therefore, inconsistent with the principles of that act to establish an arbitrary ceiling on the number of positions which may be placed in these grades, regardless of the number of positions which proper classification would require be placed in these grades. For this reason, we should like to see all reference to a ceiling on grades 16, 17, and 18 eliminated. If, however, it is considered necessary that some special control should be placed on the number of positions in GS–16, 17, and 18, it is urged that this control be placed in the President, and that he be authorized to establish an appropriate ceiling based upon a survey of the needs of the Federal Government for such positions. This procedure would permit the establishment of realistic ceilings, which could be changed from time to time to meet changing requirements of the service, and would make unnecessary requests to the Congress for special legislation authorizing additional supergrades almost as soon as a statutory ceiling is established. With respect to the statutory ceiling of 700 positions proposed in section 505 (c), it is assumed that this number would be in addition to the number of such positions now authorized by special legislation. In other words, it is assumed that the figure of 700 represents a proposed increase by 300 of the present figure of 400 contained in this section of the Classification Act, and that these 700 positions would not include any now authorized by special legislation, such as section 806, Public Law 207, 83d Congress, which provides authority for 180 positions in the Department of Defense. Any contrary interpretation would result in a decrease in the number of grade 16, 17, and 18 positions now existing, since this number is estimated to be around 900. To assure that the proposed revision of section 505 (c) has the effect of increasing rather than decreasing the number of these positions in the Federal service, it is suggested that the words "under authority of this section" be inserted after "time" in line 10 on page 3.

With regard to the amendment of section 604 of the Classification Act contained on page 4, it is recommended that the word "may" on line 19 be changed to

"shall" to leave no question as to the intent of Congress and to be consistent with section 106, page 9 of S. 2665.

The proposed amendment of section 703 (b) (1) contained on page 5 of S. 2665, making employees holding positions up to and including GS-15 eligible for longevity step increases, is recommended for enactment since there appears to be no valid reason for denying employees above GS-10 longevity increases. It is suggested, however, that section 703 (a) also be amended so that the present phrase "without change of grade or rate of basic compensation" be deleted and the following substituted: "without an equivalent increase in compensation from any cause." This change is recommended to correct what is probably an inadvertent inequity as regards employees who suffer a change to lower grade. Under the present wording of section 703 (a) an employee who is changed to a lower grade is prevented from receiving a longevity step increase if otherwise eligible until he has served for 3 years at the maximum of the lower grade. It is understood why an employee should serve an additional 3-year period after he has received an increase in compensation but it does not appear logical that this requirement should apply to a change to lower grade which, in many cases, involves a lower rate of pay.

The amendments to section 803 contained on page 6 represent a most desirable change in the Classification Act by providing for some flexibility in the in-hiring rates when tight labor market conditions make adjustments in those rates necessary. Section 801 of the Classification Act reads "All new appointments shall be made at the minimum rate of the appropriate grade." This requirement makes it extremely difficult for the Government to compete with private industry in certain geographical areas in obtaining occupational specialties which are in short supply. This condition, for example, exists at the present time in the case of engineering aids, dental technicians, tabulating equipment operators, and draftsmen.

The salaries paid by the Government to employees in these positions compare favorably, in general, with the nationwide average salary. In some localities, however, prevailing rates are somewhat higher than the minimum rates established for these positions under the Classification Act. Pursuant to the proposed legislation, the Civil Service Commission in such instances could raise the minimum rates to higher step rates in these grades until the entrance rates are in accord with prevailing local rates. This would permit the Government to compete on fairly equal terms for the services of qualified personnel.

The principle incorporated in this proposal has been successfully employed by the Army and Air Force for a number of years in administering wages for personnel not subject to the Classification Act. Under the latter system, a procedure exists whereby installations may seek the approval of in-hiring rates above the minimum established in regular locality wage schedules when these installations experience serious difficulty in recruiting personnel for specific ungraded jobs because the authorized rates for these positions are not in keeping with the prevailing wage rates in the locality. The number of cases approved for in-hiring above the minimum under this procedure has not averaged more than a fraction of 1 percent of all ungraded positions within the two Departments. However, it should be noted that compensation schedules for ungraded positions are based upon prevailing wage rates determined by periodic locality wage surveys as opposed to the nationwide pay schedule for Classification Act positions. This serves to minimize the number of cases which warrant rates above the minimum.

The Hoover Commission, in recommendation No. 17 of its report on personnel management, recognized the need for greater flexibility in the Federal pay structure and recommended that the hiring rate for any kind of work in any grade should be adjusted so as to meet current employment trends.

World War II demonstrated the results of an inflexible system which would not permit reasonable adjustments to meet competitive wage rates in certain local recruiting areas where a shortage existed in particular occupational specialties. Due to personnel losses attributable to more favorable job opportunities in private industry, supervisors were continually faced with serious difficulty in securing and retaining competent trained personnel.

Precedent exists for this legislation in section 8, War Overtime Pay Act of 1943 (57 Stat. 77), which authorized adjustments where disparity in alinement existed between the wage rates of supervisors occupying Classification Act positions and wage board employees under their supervision.

The authority granted by section 803 to the Civil Service Commission to establish rates above the minimum should be sufficiently flexible so that in a given area only those installations desiring to raise their in-hiring rates will be required to do so. In most circumstances the shortage of personnel requiring a

raise in the in-hiring rate will be general throughout an area. In some areas, however, situations may arise where an installation, because it is located away from transportation facilities or because of other reasons, has difficulty in attracting qualified personnel and may need to raise its in-hiring rates while those more favorably located may not wish to do so. We assume that the wording of section 803 (a) does provide for this flexibility. In the event, however, section 803 (a) is not so interpreted it is recommended that the wording be revised.

Title II, "Premium Compensation" contains very desirable amendments to the Federal Employees Pay Act of 1945 and will serve to bring Federal pay practices with regard to premium compensation for work in excess of 40 hours, call-back overtime, and night and holiday work, more in line with the treatment accorded employees in private industry The Department of Defense urges the enactment of these provisions with the following recommended modifications:

1. The Department of Defense is opposed to that portion of the proposed amendment of section 302 of the Federal Employees Pay Act of 1945, as amended, starting on line 20, page 13, through the word "Act" on line 6, page 14. This amendment would increase the present double-time payments for holiday work to 2½ times the rate of basic compensation for those employees whose rate of basic compensation does not exceed the maximum scheduled rate for GS–9. The Department of Defense considers that the present double-time rate is adequate compensation for work on holidays and that the proposal to increase this compensation is both unnecessary and costly. Accordingly, it is recommended that the proposed amendments to section 302 be revised so as to provide for not more than double time for nonovertime work on a holiday.

2. With regard to the proposed amendment to section 604 of the Federal Employees Pay Act of 1945, the phrase "except where he determines such organization would be seriously handicapped in carrying out its functions or that costs would be substantially increased" contained on page 17, lines 15 through 17, is not considered to be a sufficiently broad description of the exceptions to the normal tour of duty which may be necessary in the military departments. It is believed that exceptions to a normal tour of duty are warranted not only when they constitute a serious handicap in carrying out an assigned function or when a substantial increase in costs is involved but also under other circumstances. For example, in some foreign countries in order to operate an office or installation in a manner consistent with local customs it is necessary to establish tours of duty that are normal for that country. For example, the normal tour of duty in Spain is from 9 a. m. to 1 p. m. and 4 p. m. to 7 p. m., with a 2-hour break in working hours. Accordingly, it is suggested, that the phrase quoted above be deleted and the following substituted: "except where he determines that deviations are necessary in order to carry out the functions of his organization efficiently and economically."

Title III, "Government employees' incentive awards," pages 18–21 of S. 2665 is highly desirable and necessary legislation. The principal difficulty with incentive awards in the Federal Government is that there are too many complex and conflicting programs, with some applicable only to employees subject to the Classification Act and not to wage board employees, with differing limitations on the amounts of awards which may be made, and with irrational and inadequate scales of awards. The inadequacies and inconsistencies of the present system of awards, it is believed, are correctly set forth in Senate Report 2101, 82d Congress.

Title III of S. 2665 would fully correct the existing inadequacies and consolidate into one logical act an incentive awards program for the Federal Government. It eliminates the present split responsibility between the Civil Service Commission and the Bureau of the Budget and logically fixes responsibility upon the Civil Service Commission for supervision of the program. The Department of Defense strongly urges the enactment of this title but suggests the following modifications:

1. On line 12, page 18, insert after the word "issued" the phrase "after consultation with the departments." Inclusion of this language will assure that the departments will have an opportunity to participate in the development of the regulations which will govern the operation of incentive-award programs.

2. On line 17, page 18, insert after the words "executive department," the words "military department" to assure that there will be no statutory limitations placed upon the authority of the heads of military departments to pay cash awards and develop and administer incentive-award programs.

Title IV, "Uniform allowances," would provide an allowance of up to $100 per annum, for civilian employees of the United States who are required to wear uniforms in the performance of their duties. Weighing the benefits to be derived from this legislation against the President's policy of curtailing expenditures wherever possible, the Department of Defense does not recommend such legislation at this time.

Title V, repealing section 1310 of the Supplemental Appropriation Act, 1952, is considered by the Department of Defense to be one of the most important features of S. 2665. The purposes for which the Whitten amendment was enacted have largely been served now that the period of rapid expansion of the Federal Government is over and it would appear appropriate for the Congress to repeal this provision at this time. The Whitten amendment has caused and continues to cause serious administrative problems. It is believed that Senate Document 30, 83d Congress, "Analysis of the Whitten Amendment," describes in detail the administrative problems and inequities which arise out of that provision of law.

Particularly burdensome has been the substitution in the Whitten amendment of time-in-grade requirements for basic qualifications and the establishment of arbitrary quotas for permanent promotions.

To date the Department of Defense has not found it feasible to make any permanent promotions in the Department of Defense within the limits currently authorized in the Whitten amendment. This decision not to make permanent promotions has stemmed from three basic factors:

1. Only a relatively small percentage of the employees in the Department of Defense eligible for permanent promotions could be given permanent promotions and in some grades few or no promotions at all could be authorized.

2. The administration of a program which would provide for permanent promotions for that relatively small percentage of employees eligible would be extremely complex and costly to operate because of the need to establish and maintain a complicated worldwide quota control system, because of the huge number of installations and employees involved, and because of the geographical dispersion of the installations which comprise the military departments.

3. Any program which could be devised to make permanent promotions would be arbitrary in nature, unfair to large numbers of employees both within installations and between installations, and could cause widespread employee concern and unrest.

The basic inequity to which employees of the Department of Defense are subjected cannot be corrected by a quota system of permanent promotions. This inequity arises out of the fact that the Whitten amendment holds back the career employees of the Department from obtaining permanent promotions and at the same time encourages permanent transfers to the Department of Defense of employees from other agencies, the placement of separated career employees in permanent grades in the Department, and probational appointments of certain categories of employees. These actions all combine to limit the opportunities of career employees in the Department of Defense for permanent promotions to such an extent that repeal of the Whitten amendment appears to be the only means for fairly resolving the problem.

The Department of Defense considers title V of major importance to sound administration and equitable treatment of employees and strongly urges its enactment.

The Bureau of the Budget has indicated that it has no objection to the submission of this report.

Sincerely yours,

RICHARD A. BUDDEKE
(For the Assistant Secretary).

GENERAL SERVICES ADMINISTRATION,
Washington, D. C., March 5, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington, D. C.

DEAR SENATOR CARLSON: The following is submitted in response to your letter of January 19, 1954, by which you requested our views and comments on S. 2665, to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

TITLE I—AMENDMENTS TO THE CLASSIFICATION ACT OF 1949, AS AMENDED

This title provides for the elimination of the present CPC schedule of the Classification Act of 1949, and the fixing of the pay of trade, craft, and manual-labor jobs engaged in buildings maintenance and operation in line with prevailing rates. An option is provided to permit Classification Act rates to be paid, subject to approval of the Civil Service Commission, in those areas where the number of jobs is so few as to make prevailing-rate determinations impractical. This

option could be used for our jobs in isolated operations such as at some of the border stations.

Title I also revises the limitation on the number of positions which may be allocated to grades GS–18, GS–17, and GS–16. The limitation has been raised from 400 to 700. Restrictions as to the numbers which may be allocated at each grade level, within the overall quota of 700, have been omitted.

Further, title I extends the longevity pay increases of the Classification Act to people in grades GS–11 through GS–15. It also authorizes the Civil Service Commission to adjust minimum rates of grades to attract eligibles for vacancies for which qualified personnel could not otherwise be obtained. The General Services Administration favors the enactment of all provisions of title I.

Prevailing rates for trade, craft, and manual labor jobs

As indicated in my letter to you dated June 30, 1953, giving our views and comments on S. 192, the payment of prevailing rates for trade, craft, and manual-labor jobs engaged in buildings maintenance and operation, will eliminate the severe inequities which now exist. There are now approximately 770,000 trade, craft, and manual labor jobs in the Federal Government for which wages are fixed in accordance with prevailing rates.

On the other hand, there are approximately 69,000 Federal jobs in trade, craft, and manual-labor occupations, engaged in the maintenance and operation of public buildings and associated equipment, the pay for which is currently required to be fixed in accordance with the craft, protective, and custodial schedule of the Classification Act of 1949. There are approximately 15,000 such jobs in the GSA. Placing these jobs on a prevailing rate basis will enable their pay to be fixed equitably with the much greater number of trade, craft, and manual-labor jobs which are already being paid on this basis.

At the present, in some localities trade, craft, and manual-labor workers, under the CPC schedule of the Classification Act, are receiving less than local prevailing rates while other Federal workers having comparable duties receive prevailing rates. This discrimination is not only unjust and impairs employee morale and productivity, but it is also confusing to private industry and the general public.

The present inequity between CPC and prevailing rates in many localities also creates other difficulties in the buildings management operations carried on throughout the country by the Public Buildings Service of the GSA. Well-qualified, skilled mechanics are not attracted to Federal employment in localities where the jobs for which they are needed are paid less than prevailing rates. The placing of all our trade and craft jobs on prevailing rates would materially aid us in the recruitment and retention of well-qualified employees.

In its survey of 42 GSA-operated public buildings, the National Association of Building Owners and Managers made the following comments and recommendation:

"PBS is required by law to pay the same wages throughout the country, without regard to local wage rates. As a result in many cities Government wages are higher than those paid by commercial buildings, while in a few they are less. Generally the Government pays more for unskilled labor, such as janitors and elevator operators, that includes over 60 percent of PBS employees. For skilled labor, such as engineers and tradesmen, the Government wages are low and as a result PBS has difficulty securing good people in these classifications.

"Because of the Government policy of paying the same wages throughout the country—a matter of law which could only be changed by congressional action—PBS pays in these 42 buildings $3,100,000 per year in excess wages over local market prices. While it might not be possible or desirable to reduce wages of present employees BMA urges the advisability of a more realistic determination of wage schedules so that replacements and new employees can be hired in line with local employment conditions."

Enclosed is a copy of the report of the National Association of Building Owners & Managers. The information quoted above appears on pages 11 and 18 of the report.

There are several ways by which we think title I of S. 2665 should be strengthened. First we believe that section 105 should be expanded to include a clear authorization to the Civil Service Commission for the development and administration of a system which would assure federalwide coordination and consistency in the fixing of wage rates for trade, craft, and manual-labor occupations. Such a system would provide uniform policies and procedures for the evaluation of jobs, coordination in the conduct of locality wage surveys, consistency in the analysis and interpretation of wage data, and the promulgation of locality wage

schedules applicable to all Federal jobs in a community having comparable duties and responsibilities.

Based on past experience with trade, craft, and manual-labor jobs already paid on a prevailing rate basis, unless an overall system is prescribed and developed, different agencies in the same locality will have different wage administration procedures affecting the same kinds of jobs, and different wage rates for such jobs will result. This situation would cause the benefits which title I of S. 2665 has been designed to produce to be materially diminished.

There is another way in which we feel that the benefits which title I of S. 2665 was designed to produce could be greatly enhanced. This would be accomplished by adding a provision for the fixing of wages for trade, craft, and manual-labor employees in the postal field service, who are engaged in buildings maintenance and operation, on the basis of prevailing rates like that provided for employees of this and other agencies who have comparable duties and responsibilities.

At the present, postal field service employees engaged in the maintenance and operation of post office buildings are fixed by Public Law 134, 79th Congress, as amended. Public Law 134, as amended, provides more liberal salaries for many types of buildings operation and maintenance employees in the postal field service than are now provided for similar workers in this and other agencies who are paid under the CPC schedules of the Classification Act.

Placing CPC employees on a prevailing-rate basis, without a similar provision for like employees in the postal field service, would only serve to intensify and complicate the present pay disparities between the two groups. We see no reason why locality wage schedules applicable to GSA carpenters, electricians, and laborers engaged in the maintenance and operation of buildings should not also apply to postal workers having similar duties.

We suggest that section 106 of title I of S. 2665, which saves the existing compensation of CPC people being placed on prevailing rates, so long as they continue to occupy the same position, be broadened to specify that compensation includes the present night differential rate now being received by such employees under the Federal Employees Pay Act of 1945, as amended. If this is not done, it is possible that a night differential set for a particular job in line with prevailing industry practice, would be less than the employees now receive.

GS–18, GS–17, and GS–16 positions

We believe that, although the need for providing compensation for Federal officials commensurate with that paid executives in private industry has long been recognized as a matter of critical importance to the obtaining of the best talent possible for the conduct of the Government's affairs, there is much that must be done to implement this recognition in terms of actually making higher salaries available.

S. 2665, in raising the limitation on the number of positions which may be allocated to grades 18, 17, and 16 from 400 to 700, is a move in the direction of making such higher salaries available and one which we believe will redound to the betterment of the Federal service generally.

The omission of any restrictions within the overall quota of 700, as to the number of positions which may be allocated at each of the three levels is also highly desirable. Grade-level quotas, such as thos imposed by the existing law, cause inequities in the evaluation and grading of GS–18, GS–17, and GS–16 positions.

At the present, two positions of equal difficulty, responsibility, and importance may, because of the restrictions, have to be placed in different grade levels. A position that clearly warrants GS–17 may have to be allocated to GS–16 because of lack of GS–17 spaces. Without such restrictions it will be possible to classify GS–18, GS–17, and GS–16 positions more in line with the principle of equal pay for equal work.

There are a number of positions in the GSA which we strongly believe are allocable to GS–18, GS–17, and GS–16 which cannot now be correctly placed in these grades under the present Classification Act quota. This has resulted in some inequities in the allocation of our key positions which S. 2665 may make it possible to adjust.

Longevity increases for grades GS–11 through GS–15

Section 102 (g) of title I of S. 2665 extends longevity benefits to employees in grades GS–10 through GS–15. We favor this provision as we feel that increases for people who perform long, efficient, and faithful service in these grades should be entitled to the same rewards for such service as are presently provided for those in the lower grades.

Adjustment of minimum rates of grades

Authorizing the Commission to adjust the minimum rates of grades to attract qualified eligibles for positions which could not otherwise be filled, as provided by section 102 (j), will enable the Federal Government to obtain and retain qualified people without distorting the system provided by the Classification Act for the evaluation and grading of positions in terms of their relative difficulty, responsibility, and importance.

TITLE II—PREMIUM COMPENSATION

We have noted that title II of S. 2665, on all matters in which the GSA is concerned, contains provisions in line with the recommendations of the joint report of the Bureau of the Budget and the Civil Service Commission which was submitted to the Senate Post Office and Civil Service Committee early in August of 1951. In this respect, title II also incorporates the provisions on premium compensation which were included in S. 354 of the 82d Congress as favorably reported upon with amendments by the Senate Post Office and Civil Service Committee.

Our review of the Budget Bureau-Civil Service Commission report, and of Senate Report No. 843 of the 82d Congress, indicates that the present provisions of S. 2665 are based upon comprehensive study of premium-pay problems throughout the Federal service and of premium-pay practices in State and municipal government and private industry. In view of this and in consideration of our own experience, we feel that the enactment of title II will provide greater equity in payment of premium compensation to Federal employees, as well as alleviate a number of problems currently involved in the administration of the Federal Employees Pay Act of 1945, as amended.

TITLE III—GOVERNMENT EMPLOYEES' INCENTIVE AWARDS

We concur in the provisions of title III of S. 2665 to the extent it provides for a unification of the present several incentives programs into one system and the repeal of existing legislation. The providing of cash awards in lieu of superior accomplishment pay increases now authorized by section 702 of the Classification Act of 1949, as amended, is a more equitable method of compensating Government employees at all levels who, by their suggestions, inventions, or superior accomplishments, contribute to the improvement of Government operations.

The title also provides, however, that regulations and instructions governing department awards be issued by the United States Civil Service Commission. This provision is similar to one included in previously proposed legislation introduced as Senate bill S. 3492 of the 82d Congress. In a letter dated September 22, 1952, commenting on that bill, this Administration replied as follows:

"We feel that the incentive awards program should in no way be separated from the goals of economical and efficient operation in the executive branch of the Government. By relating Federal incentive awards activities with the programs and responsibilities of the Civil Service Commission, as recommended in the report and as proposed by the bill, considerable of the potential worth of the awards program in assisting in the improvement of management in the respective departments may not be realized. The great value of incentives in improving employee morale, in developing a more alert working force, and in leading to safer working conditions, is fully recognized by this Administration. The incentives program, however, should be identified as neither a personnel nor a budgetary stimulant. For this reason, we advocate the omission of any provision in the proposed legislation which would place responsibility for the operation of the program in either the Civil Service Commission or the Bureau of the Budget. We feel that the location of the program should be left to the administrative decision of the President and that this should be so provided in the legislation."

Experience during the past year has shown that the GSA incentive awards system is becoming more and more an effective management improvement tool. We would not want to see any change made that might weaken this effectiveness.

TITLE IV—UNIFORM ALLOWANCES

The GSA has authority to purchase, repair, and clean uniforms for civilian employees of the GSA who are required by law or regulation to wear uniform clothing. It has been our practice to provide such clothing and upkeep by contract. In Washington, D. C., where the workload justifies, a number of tailors are employed for fitting and repairing.

It is suggested that section 402 of the proposed bill be modified to make the payment of a uniform allowance optional. It is suggested that after the word "duties," in line 3 on page 22, the words "and who is not being furnished with such uniform," be deleted and the following be inserted in lieu thereof: "shall be furnished with such uniform or."

GSA's authority to purchase, repair, and clean uniforms is contained in paragraph (1) of subsection 210 (a), Public Law 152, as amended. Prior to the passage of this legislation substantially similar authority was included in appropriation acts since 1928.

The optional language will permit flexibility in the program in that there are instances where the payment of an allowance in lieu of supplying the uniform would be in the best interests of the Government.

TITLE V—MISCELLANEOUS PROVISIONS

We strongly urge the enactment of this title which repeals section 1310 of the Supplemental Appropriation Act of 1952, as amended. We are convinced that this provision of law has outlived its usefulness. It tends to unnecessarily complicate present-day personnel operations, serves as a deterrent to the initiative of outstanding employees, impedes the establishment of a Federal career service, causes injustices in certain cases, and does not produce any benefits commensurate with its cost to the Federal service.

In closing I wish to thank you and your committee for requesting our views and comments on S. 2665. If we can be of further service, let us know.

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

Cordially yours,

EDMUND F. MANSURE, *Administrator.*

UNITED STATES DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington 25, D. C., March 18, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington, D. C.

MY DEAR SENATOR CARLSON: A review has been made of S. 2665, a bill to amend the Classification Act of 1949, as amended, and the Federal Employees' Pay Act of 1945, as amended, and for other purposes. Generally, we are in favor of this legislation. However, we feel that certain changes should be made as indicated in the following numbered paragraphs:

1. At present, the heads of agencies have full authority and responsibility for wage administration in their respective agencies. Section 105, page 9, lines 8 to 10, would give the Civil Service Commission authority to regulate as may be necessary for the administration of title I, which includes wage administration. This Department is in favor of centralizing in the Commission broad, general authority to review various wage administration patterns throughout the Federal service. The function must be dealt with intimately and expeditiously by the agencies, and, therefore, to set forth the authority of the Commission it is recommended that section 105 be changed to read as follows:

"SEC. 105. The Civil Service Commission is authorized to review various wage patterns in the Federal service with the view to their coordination through the issuance of broad standards in consultation with agency representatives."

2. Section 401 on page 14 permits the head of any department, independent establishment, or agency, with the approval of the Civil Service Commission, to approve standby time at differentials not to exceed 25 percent in one situation, and 15 percent in other situations. It is believed that the heads of the departments and agencies of the Government are fully qualified and could be entrusted to exercise discretion and judgment in the approval of premium compensation for standby time and that such approval of the Civil Service Commission should not be required. In fact, it would seem that a process of obtaining Civil Service approval in these instances might prove to be quite cumbersome and time consuming.

3. Section 302 of title III provides that the Department incentive-awards program shall be carried out under regulations and instructions issued by the Civil Service Commission. While this Department has felt that the incentive-awards program would benefit from stronger leadership and stimulation at the

executive level, the organizational location of such a responsibility is subject to question. The incentive-awards program has a relationship to the general personnel program of the Government, but it is more importantly an integral part of the management improvement effort. Government and industry have found that a major stimulation to increased efficiency, economies in operation and better management is some system of financial and honorary recognition of the contributions of individual employees. Since responsibility for the general management improvement program is lodged in the Bureau of the Budget, we feel that the incentive-awards phase should also be centered there. This Department has organized its program on this basis and feels that the executive level organization should follow a similar pattern. If this course is followed, we would like to see a strengthening of this function in the Bureau of the Budget to bring about an improvement of results governmentwide.

With the suggestions as noted above, the Department of the Interior recommends in favor of this proposed legislation. The Bureau of the Budget has advised that there is no objection to the presentation of this report to your committee.

Sincerely yours,

D. Otis Beasley,
Administrative Assistant Secretary of the Interior.

Department of Justice,
Office of the Deputy Attorney General,
Washington, February 25, 1954.

Hon. Frank Carlson,
Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington, D. C.

Dear Senator: This is in response to your request for the views of the Department of Justice relative to the bill (S. 2665) to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

The bill would abolish the crafts-protective-custodial classification and substitute therefor the prevailing-wage methods payment of compensation for some employees now included under CPC while other employees under such classification would be transferred to general schedule classification. Also, the bill would include a number of beneficial provisions such as longevity salary increases for employees in grades up to and including GS–15; so-called true overtime rates up to grade GS–9; premium pay of 2½ times the usual rate for holiday work; premium compensation for irregular overtime, nightwork, and for standby services; a single incentive awards system; allowances of not to exceed $100 per annum to employees required to wear uniforms for the acquisition and upkeep of such uniforms; and repeal of the so-called Whitten amendment (sec. 1310 of the Supplemental Appropriation Act of 1952, as amended (5 U. S. C. 43 note)) requiring temporary appointments and placing limitations on promotions.

The Department of Justice is, generally, in accord with the purposes of the bill. There are certain provisions of the measure, however, which might be clarified.

In section 202 (c) of the bill (p. 11) relating to compensation for overtime work, it is suggested that the word "ordered" be inserted before the word "overtime" in lines 12 and 17 so as to make clear this is not voluntary irregular or occasional overtime.

Section 202 (e) of the bill (pp. 12, 13), authorizing compensation for night and holiday work, provides that the section shall not operate to modify the provisions of the act of July 1, 1944, or any other law authorizing additional compensation for night work. No such exception appears in section 202 (b) of the bill, which relates to overtime work generally. The payment of extra compensation for inspectional services by employees of the Immigration and Naturalization Service of this Department is established by the act of March 2, 1931 (5 U. S. C. 342c and 342d). The existing Federal Employees Pay Act of 1945, as amended, in section 601 (5 U. S. C. 941) contains specific language to the effect that its provisions shall not operate to prevent payment for overtime services or extra pay in accordance with the act of March 2, 1931. The latter is not specifically repealed or amended by the bill now under consideration. It is assumed therefore that the provisions of the bill would have no effect upon the payment of overtime compensation, etc., under the act of March 2, 1931. However, for the sake of clarity, it might be

advisable to include specific language in section 202 (b) of the bill to obviate any possible conflict between the bill and the terms of the act of March 2, 1931.

Section 402 of the bill (pp. 21, 22), relating to uniform allowances, provides that not to exceed $100 per annum shall be paid for defraying the expenses of "acquisition and upkeep" of such uniforms. As now worded, the allowance for upkeep could be used only in conjunction with private acquisition of uniforms and would not cover those cases in which uniforms are furnished at Government expense. In order to cover all cases requiring upkeep of uniforms it is suggested that the word "and" in line 5 on page 22 be changed to "or."

The Bureau of the Budget has advised that while there is no objection to the submission of this report, it invited particular attention to its recommendation against favorable consideration at this time of title IV of the bill and other pending proposals like title IV.

Sincerely,

WILLIAM P. ROGERS,
Deputy Attorney General.

UNITED STATES DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, D. C., February 25, 1954.

The Honorable FRANK CARLSON,
Chairman, Post Office and Civil Service Committee,
United States Senate, Washington 25, D. C.

DEAR SENATOR CARLSON: This is in reply to your letter of January 12, 1954, requesting my comments on S. 2665, a bill to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

The proposed legislation would augment the pay benefits of employees of the Federal Government by (1) increasing, from $2,980 per annum to $5,810 per annum, the maximum rate on which time and one-half the regular hourly rate of pay for Federal employees for hours worked in excess of their regularly scheduled hours of employment can be computed; and (2) increasing premium compensation for work performed on specified holidays. It would also increase the number of supergrade positions—GS–16, 17, and 18—from 400 to 700, strengthen the incentive awards program, expand the longevity step-increase provisions of the Classification Act to include grades GS–11 through GS–15, abolish the schedule for crafts, protective and custodial workers (transferring some of these employees to the general schedule but excluding the majority from the application of the Classification Act and making them subject to wage determinations on a prevailing rate basis) and repeal section 1310 of the Supplemental Appropriation Act of 1952, the so-called Whitten rider. The proposed amendments are designed to liberalize existing personnel practices and procedures in order that the benefits of Federal employees may be made more equitable and the pay structure more nearly consistent with practices in private industry.

I am wholeheartedly in favor of the general objectives of S. 2665 and recognize the worthwhileness of effecting needed improvements in the civil service laws. However, I believe that the proposal would be improved by the changes suggested in the reports of the Chairman of the Civil Service Commission and the Director of the Bureau of the Budget.

I approve the enactment of S. 2665, with the amendments discussed above.

The Bureau of the Budget advises that it has no objection to the submission of this report.

Yours very truly,

JAMES P. MITCHELL, *Secretary of Labor.*

OFFICE OF THE POSTMASTER GENERAL,
Washington 25, D. C., February 24, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate.

DEAR MR. CHAIRMAN: Reference is made to your request for a report on S. 2665, a bill to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

Title I of this bill amends the Classification Act of 1949.

(1) By converting positions in the crafts, protective, and custodial schedule to the general schedule under the Classification Act of 1949, and adjusts the rates of pay of the positions so converted;

(2) Increases from 400 to 700 the number of positions authorized to be placed in grades GS-16, 17, and 18, and removes the restriction on the number of positions which may be placed in each of these grades;

(3) Permits the establishment of entrance rates higher than the minimum rate of the grade for positions in shortage categories; and

(4) Authorizes longevity step increases in grades GS-11 through GS-15.

The Post Office Department supports the enactment of title I of this bill but wishes to point out that the portion of the title which permits hiring at higher than the minimum entrance rates for positions in shortage categories may result in employee relations problems among those employed at the present rates.

Title II of this bill amends the Federal Employees Pay Act of 1945 by revising the overtime, night, and holiday pay provisions, and adding new provisions providing premium pay for standby service and for irregular and unscheduled overtime duty. The Department is in accord with most of the objectives of this title, but is opposed to the provision for holiday pay. This provision runs counter to general practices in industry by providing double time and one-half pay for employees who are regularly scheduled to work on holidays instead of the usual double time. The holiday pay provision further would set up an inequity by paying employees for whom holiday work is not overtime at the same rate as those for whom the holiday work is also overtime work. The Department also questions the payment of overtime to employees who, because of the nature of their positions, can control their own overtime. Many employees in and above GS grade 9 are in such positions and would become eligible for premium pay for overtime under the provisions of this title.

Title III of this bill establishes a new "Government Employees Incentive Awards Act." It consolidates all the laws for all types of awards and places direction of the governmentwide incentive awards program within the Civil Service Commission. The Department supports title III of this bill. It is assumed that the executive departments of the Government will have maximum flexibility in administering such programs.

Title IV of this bill proposes a cash allowance of $100 for each employee required by law or regulation to wear a uniform in the performance of official duty. The regulations with respect to this allowance are to be prescribed by the Director of the Bureau of the Budget. The Post Office Department does not favor this proposal at the present time. The overriding consideration in reaching this conclusion is the cost to the Department. It is estimated that there are about 133,000 employees in the Department who would be affected by this provision. There have been several estimates of the cost of uniforms, depending upon the regulation prescribed by the head of the agency, but it is estimated the cost per uniform would be about $100 per annum. Using this unit-cost estimate the annual cost to the Post Office Department for all employees required to wear uniforms would be about $13,300,000.

Title V of this bill would repeal section 1310 of the Supplemental Appropriation Act, 1952, (Public Law 253, 82d Cong.) as amended. The Post Office Department strongly endorses title V of this bill.

The Whitten amendment has been a materially adverse factor in field hiring and in keeping down turnover. In view of the steady but regular growth of the Post Office, reflecting the basic growth in the American economy, there is no reason for the application of such a restriction to this Department. Relief from this restriction will enable the Department to move toward its objective of regularizing employment and tenure by converting many substitutes and indefinites to full-time employment with civil-service status. Such action will make possible material savings through providing secure employment to thousands of clerks and carriers, thus reducing turnover and enabling us to increase skills and productivity through the use of experienced employees. There are approximately 70,000 employees now performing full-time work who in part because of the Whitten amendment cannot be given regular appointments.

The Bureau of the Budget has advised that there would be no objection to the submission of this report to the committee.

Sincerely yours,

C. R. Hook, Jr.,
Acting Postmaster General.

DEPARTMENT OF STATES,
Washington, February 24, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service
United States Senate

MY DEAR SENATOR CARLSON: Reference is made to your letter of January 12, 1954, requesting the views and comments of the Department of State on S. 2665, to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

The Department endorses all the provisions of S. 2665. It does recommend, however, that the language be amended in section 202 (a) (p. 11) to clarify the intent that compensatory time in lieu of payment for overtime work be granted on a straight hour-for-hour basis.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,

THRUSTON B. MORTON,
Assistant Secretary
(For the Secretary of State).

TREASURY DEPARTMENT,
Washington, D. C., March 5, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: Further reference is made to your letter of January 12, 1954, requesting a statement of this Department's views on S. 2665, to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

The proposed legislation would make several important amendments in both the Classification Act of 1949 and the Federal Employees Pay Act of 1945.

In general, the Treasury Department endorses the provisions of S. 2665 and it supports the position of the Civil Service Commission on the bill as set forth in the letter to your committee from the Chairman of the Civil Service Commission. There is attached a memorandum which sets forth in detail the Treasury Department's comments on S. 2665.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.

Very truly yours,

M. B. FOLSOM,
Acting Secretary of the Treasury.

MEMORANDUM TO ACCOMPANY REPORT ON S. 2665

TITLE I

The Treasury Department endorses:

(1) The extension of the prevailing wage rate principle to crafts and related jobs now under the Classification Act, thereby placing all crafts and related jobs in one pay category;

(2) The elimination of present restrictions on the number of positions which may be placed in each level of GS–16, 17, and 18;

(3) The increase from 400 to 700 of the number of supergrades authorized by the Classification Act of 1949;

(4) The extension of longevity increases to employees above GS–10; and

(5) The authorization to the Civil Service Commission to make temporary adjustments of minimum pay rates to recruit and retain needed personnel.

TITLE II

The Treasury Department endorses:

(1) The payment of overtime compensation, at 1½ times regular rate, to employees in all grades up to and including GS–15, providing the maximum overtime rate for all grades where concerned will be the maximum rate for GS–9;

(2) The payment of minimum compensation for call-back overtime as 2 hours pay;

(3) The principle of paying employees in a travel status only for their regularly scheduled workweek, which may include regularly scheduled overtime; providing,

they may also be paid for traveling time outside of these regularly scheduled hours if they are required to perform work while traveling, or if the traveling is done under arduous conditions;

(4) The principle of granting operating departments authority, within specified limitations, to determine nightwork hours in light of prevailing conditions at locations outside the United States;

(5) The payment of minimum compensation for 2 hours pay for any work on a holiday;

(6) The payment of additional compensation, in lieu of overtime night and holiday pay, to employees with long tours of standby duty, at rates up to 25 percent of base pay rates not exceeding the maximum rate of GS–9;

(7) The payment for irregular and unscheduled overtime and holiday work of additional compensation not in excess of 15 percent of rates not exceeding the maximum rate of GS–9 to employees whose hours are not subject to usual administrative control and whose duties require substantial amounts of unscheduled overtime, night and holiday pay; and

(8) The principle of limiting total pay of Classification Act employees in GS-15 and below to regular pay plus premium pay not in excess of the maximum rate of GS–15 and the principle of denying premium pay to employees in GS–16, 17 and 18.

TITLE III

The Treasury Department endorses the payment of incentive awards and believes that this consolidation of laws, with the improvements and simplifications added, will help facilitate the awards program.

TITLE V

The Treasury Department endorses the repeal of the so-called Whitten amendment.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., June 4, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington 25, D. C.

MY DEAR MR. CHAIRMAN: Reference is made to your request of May 25, 1954, for the views of this Office with respect to S. 3507, a bill to authorize the Civil Service Commission to make available group life insurance for civilian officers and employees in the Federal service, and for other purposes.

This bill would provide each eligible civilian employee of the legislative, executive, and judicial branches who desires such protection with an amount of group life insurance approximating his annual salary but not in any case to exceed $20,000. In the event of accidental death this protection would be doubled, and in the event of dismemberment, payments would be made in accordance with schedules to be set up by the Civil Service Commission. Employees leaving the Government would be able to convert their life insurance to individual policies at standard rates and without medical examination. Employees retiring on immediate annuity such as disability after 15 years' service would continue their full life insurance to age 65 without further cost to them. After age 65 the insurance amount for each employee and annuitant would be reduced to an ultimate amount equal to 25 percent of the full insurance.

The cost of the insurance would be shared by the Government and the participating employees on a payroll deduction basis. The premium per thousand would be not to exceed a biweekly rate of 25 cents from the employee, and not to exceed one-half the employee rate from the Government.

The Civil Service Commission is authorized to purchase, without regard to section 3709 of the Revised Statutes, group life, accidental death, and dismemberment insurance from 1 or more life insurance companies licensed in all 48 States and in the District of Columbia provided the employee group life insurance in force in each company is equal to at least 1 percent of the total employee group life insurance in force in the United States in all life insurance companies. The Commission is also authorized to arrange for reinsurance in accordance with a specified formula. Experience under the policy is to be reviewed annually and premiums adjusted as necessary.

The Commission is also authorized to arrange for assumption of existing life insurance agreements with retired or separated members of any nonprofit Federal

employee's association which terminates life insurance agreements with all its members within 1 year, and transfers appropriate assets to the Government.

It is believed that the provision of employee group life insurance on a voluntary basis for Federal employees is a desirable move in applying the best practices of progressive private employers to the Government service.

The Bureau of the Budget recommends favorable consideration of S. 3507 by your committee to carry out the President's recommendation of May 19, 1954, that employee group life insurance be made available to Federal employees.

Sincerely yours,

DONALD R. BELCHER, *Assistant Director.*

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington 25, D. C., June 21, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate.

DEAR MR. CHAIRMAN: Reference is made to your letter of May 25, 1954, acknowledged by telephone May 26, requesting the views and comments of the General Accounting Office pertaining to S. 3507, 83d Congress, 2d session, entitled "A bill to authorize the Civil Service Commission to make available group life insurance for civilian officers and employees in the Federal service, and for other purposes."

Various suggestions were made by the General Accounting Office to the Bureau of the Budget on a draft of this bill and representatives of the General Accounting Office thereafter participated with representatives of that Bureau and other agencies in revising the draft bill. Most all of the suggestions of this Office were adopted in the preparation of the final draft, with which S. 3507 appears to be identical. It is believed that S. 3507 will carry out the intent of the present administration to provide group life insurance for civilian officers and employees in the Federal service.

Whether the Federal Government should make available group life insurance for its civilian officers and employees is a matter of policy primarily for determination by the Congress and one on which I do not feel required to express a view.

Five copies of this report are furnished, as requested.

Sincerely,

FRANK H. WEITZEL,
Acting Comptroller General of the United States.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Washington 25, June 10, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate.

DEAR MR. CHAIRMAN: This letter is in response to your request of May 26, 1954, for a report on S. 3507, a bill to authorize the Civil Service Commission to make available group life insurance for civilian officers and employees in the Federal service, and for other purposes.

This bill is designed to carry out recommendations made in the President's message of May 19, 1954, to the Congress proposing a program of contributory group life insurance for Federal civilian employees (H. Doc. No. 398, 83d Cong.). (The bill would include, in addition to regular group life insurance, group accidental-death insurance and dismemberment insurance.)

The principle of making group life and group accidental-death and dismemberment insurance available to employees, which enables employees to obtain this type of protection at relatively low cost and, in some cases, when they would not be able to obtain individual insurance at all, is one which has been widely adopted by private industry. We believe that adoption of this principle by the Federal Government would add a substantial element in the establishment of a well-rounded personnel program for the Federal career system, would enhance employee morale, would tend to reduce excessive employee turnover, and would have the virtue of giving employees some survivorship protection during the qualifying period under the civil service retirement system.

Inasmuch as the bill would be administered by the Civil Service Commission, we have not undertaken to submit in this report a technical analysis of the bill.

We assume that such an analysis is being submitted by the Civil Service Commission in its report on the bill and in its testimony.

However, there are two points to which we should like to invite your committee's attention.

Section 2 (b) of the bill provides that it shall not "apply to commissioned officers and enlisted personnel on active duty in or with the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States, who have indemnity coverage under the Servicemen's Indemnity Act of 1951 (65 Stat. 33)." However, the Servicemen's Indemnity Act also provides for coverage under that act for "commissioned officers of the Public Health Service while entitled to full military benefits as provided in section 212 (a)" of the Public Health Service Act (42 U. S. C. 213) and in certain cases also for commissioned officers of the Coast and Geodetic Survey. While commissioned officers of the Public Health Service, when on detail to one of the armed services mentioned in the present bill, might be considered as on active duty "with" one of such services, they can also become entitled to full military benefits under section 212 of the Public Health Service Act, and hence to coverage under the Servicemen's Indemnity Act of 1951, with respect to service at certain other times. Since the bill does not exclude them, such officers, when entitled to full military benefits, would thus be authorized protection under both insurarnce progams. We assume that this was not contemplated.

Moreover, the Servicemen's Indemnity Act provides, among other things, that it shall apply to a person called to active duty in one of the Armed Forces for a period exceeding 30 days and shall continue to apply to such a person for a period of 120 days after his separation or release from active duty. Under this provision, a civil-service employee immediately returning to his civil-service position after a tour of active duty with one of the Armed Forces would have insurance coverage under both the proposed bill and the Servicemen's Indemnity Act for a period of 120 days. We assume that this double protection is not contemplated.

If your committee should decide to amend the bill in order to preclude such overlapments of life-insurance protection, we should be pleased, in cooperation with the Civil Service Commission and other agencies concerned, to furnish technical assistance for that purpose if the committee should so desire.

We wholeheartedly endorse the objectives of the bill, and recommend favorable consideration of the bill, together with such amendments as may appear desirable in the light of the above comments.

The Bureau of the Budget advises that it perceives no objection to the submission of this report to your committee and that it recommends favorable consideration of the bill.

Sincerely yours,

NELSON A. ROCKEFELLER,
Acting Secretary.

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., June 6, 1954.

Hon. FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate.

DEAR MR. CHAIRMAN: Reference is made to your request for a report on S. 3507, a bill to authorize the Civil Service Commission to make available group life insurance for civilian officers and employees in the Federal service, and for other purposes.

The installation of a group-insurance plan in the Federal service will meet a long-felt need. Private industry for many years has successfully utilized group insurance to provide increased security for regular employees and to improve the standing of industrial employment in the eyes of prospective applicants. This bill and other forward-looking legislation which provide attractive conditions of employment in the civil service are in the best interests of the Federal Government as an employer.

Generally, the proposed bill adequately covers the administrative requirements for a successful system of group insurance. It is desired, however, to make specific comments with reference to certain provisions for purposes of clarification and to invite attention to certain points for consideration. For convenience these comments are arranged in the order of the numbered sections of the bill.

Section 2 (a) provides that all officers and employees of the executive, judicial, and legislative branches of the Government shall come within the purview of this act at such time and under such conditions of eligibility as the Civil Service Commission may by regulation prescribe. Regulations excluding employees on

the basis of the nature and type of employment or conditions pertaining thereto may be made only after consultation with the head of the employing authority concerned. It is assumed that this exclusion will be applied to temporary employees such as temporary substitutes who are employed for short periods of duty and whose post office employment is only incidental to their main source of income. These employees have been excluded in computing the estimated cost to this Department which would result from the enactment of this measure.

The proviso in section 2 (a), requiring consultation with the head of the employing agency before the promulgation of regulations excluding employees, is regarded by this Department as a worthwhile provision to assure that employees engaged in the same duties as other employees covered, on a regular tour of duty, and otherwise eligible under the provisions of the act, will not be excluded solely because of the civil-service authority under which they were appointed. This proviso will also be the means for the establishment of the practice, already in wide use in private industry, of having employees acquire eligibility for group insurance only after the completion of a reasonable minimum period of satisfactory service. Each of the foregoing features is considered to be important, respectively, as a factor in maintaining good employee morale, and as a means of avoiding excessive administrative costs.

Section 5 (a) provides that there shall be withheld from each salary payment the employee's share of the cost of his insurance at a rate not to exceed 25 cents biweekly for each $1,000 of his group life insurance. In the absence of administrative procedure for making these collections, it is difficult to estimate the cost. However, it is believed that postal expenditures will be increased at least $100,000 annually to comply with this section.

Section 5 (b) of this measure provides that there shall be contributed from the appropriation which is used for payment of his salary a sum not to exceed one-half of the amount withheld from the employee under this section. Based on the assumption that 75 percent of eligible postal employees would participate in the group-insurance plan at the maximum amount for which they would be eligible under the schedule in section 3 (a), and that the maximum rate of 12½ cents per thousand be determined by the Commission, it is estimated that the annual increase in postal expenditures under this provision would amount to approximately $5,700,000.

The favorable low rate to the employee and the provisions for continuing the insurance after retirement from the Federal service make the proposed plan very attractive and should result in maximum participation. The added cost to this Department would be a proper charge to postal expenditures. As suggested hereinbefore, the results of the inauguration of the insurance plan provided for in this proposal would be beneficial both to the employees and to the Federal Government.

This Department has no objection to the enactment of this bill.

The Bureau of the Budget has advised that there would be no objection to the submission of this report to the committee.

Sincerely yours,

CHARLES R. HOOK, Jr.,
Deputy Postmaster General.

DEPARTMENT OF THE TREASURY,
Washington, June 8, 1954.

Hon FRANK CARLSON,
Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington, D. C.

DEAR MR. CHAIRMAN: Reference is made to your letter of May 25 requesting our views on S. 3507, a bill to authorize the Civil Service Commission to make available group life insurance for civilian officers and employees in the Federal service, and for other purposes.

The Treasury Department favors enactment of the proposed legislation to carry out the plan recommended by the President in his message of May 19, 1954.

Very truly yours,

M. B. FOLSOM,
Acting Secretary of the Treasury.

Changes in Existing Law

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill (joint resolution) as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

Classification Act of 1949, as Amended

TITLE II—COVERAGE AND EXEMPTIONS

* * * * * * *

Sec. 202. This Act (except title XII) shall not apply to—

* * * * * * *

(7) employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor [occupations (except such employees in positions to which the Classification Act of 1923, as amended, now applies, the duties of which involve the maintenance and operation of public buildings and associated equipment or the performance of work in scientific or engineering laboratories as aides to scientists or engineers)] *occupations, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and knowledge as the paramount requirement*, and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experience, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine [operations, whose compensation] *operations: Provided, That the compensation of such employees* shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates: *Provided further, That whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees shall be subject to the provisions of the Classification Act of 1949, as amended, which are applicable to positions of equivalent difficulty or responsibility;*

* * * * * * *

Sec. 204. (a) * * *

* * * * * * *

(c) [Sections 202 and] *Section 202 (except paragraph 7 thereof) and section* 203 shall not apply to the Office of the Architect of the Capitol.

* * * * * * *

[Sec. 505. (a) No position shall be placed in Grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission. At any one time there shall not be more than three hundred positions in Grade 16 of the General Schedule and not more than seventy-five positions in Grade 17 of the General Schedule.

[(b) No position shall be placed in or removed from Grade 18 of the General Schedule except by the President upon recommendation of the Commission. There shall not be more than twenty-five positions in such grade at any one time.]

Sec. 505. (a) No position shall be placed in grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission.

(b) No position shall be placed in or removed from grade 18 of the General Schedule except by the President upon recommendation of the Commission.

(c) At any one time there shall not be more than four hundred positions in grade 16 of the General Schedule, not more than one hundred and fifteen positions in grade 17 of the General Schedule, and not more than thirty-five positions in grade 18 of the General Schedule.

(d) Positions that may be established under the proviso of section 203 (b) (1) of the Act of August 2, 1946 (60 Stat. 836), may be in addition to those authorized by the foregoing provisions of this section.

* * * * * * *

TITLE VI—BASIC COMPENSATION SCHEDULES

[SEC. 601. There are hereby established the following basic compensation schedules for positions to which this Act applies.

[(1) A "General Schedule", the symbol for which shall be "GS", in lieu of the professional and scientific service, the clerical, administrative, and fiscal service, and the subprofessional service specified in section 13 of the Classification Act of 1923, as amended; and

[(2) A "Crafts, Protective, and Custodial Schedule", the symbol for which shall be "CPC", in lieu of the crafts, protective, and custodial service specified in such section.]

SEC. 601. There is hereby established for positions to which this Act applies a basic compensation schedule to be known as the "General Schedule", the symbol for which shall be "GS".

SEC. 602. [(a)] The General Schedule shall be divided into eighteen grades of difficulty and responsibility of work, as follows:

GENERAL SCHEDULE

Grade GS–1 includes all classes of positions the duties of which are to perform, under immediate supervision, with little or no latitude for the exercise of independent judgment, (1) the simplest routine work in office, business, or fiscal operations, or (2) elementary work of a subordinate technical character in a professional, scientific, or technical field.

Grade GS–2 includes all classes of positions the duties of which are (1) to perform, under immediate supervision, with limited latitude for the exercise of independent judgment, routine work in office, business, or fiscal operations, or comparable subordinate technical work of limited scope in a professional, scientific, or technical field, requiring some training or experience; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–3 includes all classes of positions the duties of which are (1) to perform, under immediate or general supervision, somewhat difficult and responsible work in office, business, or fiscal operations, or comparable subordinate technical work of limited scope in a professional, scientific, or technical field, requiring in either case (A) some training or experience, (B) working knowledge of a special subject matter, or (C) to some extent the exercise of independent judgment in accordance with well-established policies, procedures, and techniques; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–4 includes all classes of positions the duties of which are (1) to perform, under immediate or general supervision, moderately difficult and responsible work in office, business, or fiscal operations, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) a moderate amount of training and minor supervisory or other experience, (B) good working knowledge of a special subject matter or a limited field of office, laboratory, engineering, scientific, or other procedure and practice, and (C) the exercise of independent judgment in accordance with well-established policies, procedures, and techniques; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–5, includes all classes of positions the duties of which are (1) to perform, under general supervision, difficult and responsible work in office, business, or fiscal administration, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) considerable training and supervisory or other experience, (B) broad working knowledge of a special subject matter or of office, laboratory, engineering, scientific, or other procedure and practice, and (C) the exercise of independent judgment in a limited field; (2) to perform, under immediate supervision, and with little opportunity for the exercise of independent judgment, simple and elementary work requiring professional, scientific, or technical training equivalent to that represented by graduation from a college or university of recognized standing but requiring little or no experience; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–6 includes all classes of positions the duties of which are (1) to perform, under general supervision, difficult and responsible work in office, business, or fiscal administration, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) considerable training and supervisory or other experience, (B) broad working knowledge of a

special and complex subject matter, procedure, or practice, or of the principles of the profession, art, or science involved, and (C) to a considerable extent the exercise of independent judgment; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS-7 includes all classes of positions the duties of which are (1) to perform, under general supervision, work of considerable difficulty and responsibility along special technical or supervisory lines in office, business, or fiscal administration, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) considerable specialized or supervisory training and experience, (B) comprehensive working knowledge of a special and complex subject matter, procedure, or practice, or of the principles of the profession, art, or science involved, and (C) to a considerable extent the exercise of independent judgment; (2) under immediate or general supervision, to perform somewhat difficult work requiring (A) professional, scientific, or technical training equivalent to that represented by graduation from a college or university of recognized standing, (B) previous experience, and (C) to a limited extent, the exercise of independent technical judgment; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS-8 includes all classes of positions the duties of which are (1) to perform, under general supervision, very difficult and responsible work along special technical or supervisory lines in office, business, or fiscal administration, requiring (A) considerable specialized or supervisory training and experience, (B) comprehensive and thorough working knowledge of a specialized and complex subject matter, procedure, or practice, or of the principles of the profession, art, or science involved, and (C) to a considerable extent the exercise of independent judgment; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS-9 includes all classes of positions the duties of which are (1) to perform, under general supervision, very difficult and responsible work along special technical, supervisory, or administrative lines in office, business, or fiscal administration, requiring (A) somewhat extended specialized training and considerable specialized, supervisory, or administrative experience which has demonstrated capacity for sound independent work, (B) thorough and fundamental. knowledge of a special and complex subject matter, or of the profession, art, or science involved, and (C) considerable latitude for the exercise of independent judgment; (2) with considerable latitude for the exercise of independent judgment, to perform moderately difficult and responsible work, requiring (A) professional, scientific, or technical training equivalent to that represented by graduation from a college or university of recognized standing, and (B) considerable additional professional, scientific, or technical training or experience which has demonstrated capacity for sound independent work; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS-10 includes all classes of positions the duties of which are (1) to perform, under general supervision, highly difficult and responsible work along special technical, supervisory, or administrative lines in office, business, or fiscal administration, requiring (A) somewhat extended specialized, supervisory, or administrative training and experience which has demonstrated capacity for sound independent work, (B) thorough and fundamental knowledge of a specialized and complex subject matter, or of the profession, art, or science involved, and (C) considerable latitude for the exercise of independent judgment; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS-11 includes all classes of positions the duties of which are (1) to perform, under general administrative supervision and with wide latitude for the exercise of independent judgment, work of marked difficulty and responsibility along special technical, supervisory, or administrarive lines in office, business, or fiscal administration, requiring (A) extended specialized, supervisory, or administrative training and experience which has demonstrated important attainments and marked capacity for sound independent action or decision, and (B) intimate grasp of a specialized and complex subject matter, or of the profession, art, or science involved, or of administrative work of marked difficulty; (2) with wide latitude for the exercise of independent judgment, to perform responsible work of considerable difficulty requiring somewhat extended professional, scientific, or technical training and experience which has demonstrated important attainments and marked capacity for independent work; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–12 includes all classes of positions the duties of which are (1) to perform, under general administrative supervision, with wide latitude for the exercise of independent judgment, work of a very high order of difficulty and responsibility along special technical, supervisory, or administrative lines in office, business, or fiscal administration, requiring (A) extended specialized, supervisory, or administrative training and experience which has demonstrated leadership and attainments of a high order in specialized or administrative work, and (B) intimate grasp of a specialized and complex subject matter or of the profession, art, or science involved; (2) under general administrative supervision, and with wide latitude for the exercise of independent judgment, to perform professional, scientific, or technical work of marked difficulty and responsibility requiring extended professional, scientific, or technical training and experience which has demonstrated leadership and attainments of a high order in professional, scientific, or technical research, practice, or administration; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–13 includes all classes of positions the duties of which are (1) to perform, under administrative direction, with wide latitude for the exercise of independent judgment, work of unusual difficulty and responsibility along special technical, supervisory, or administrative lines, requiring extended specialized, supervisory, or administrative training and experience which has demonstrated leadership and marked attainments; (2) to serve as assistant head of a major organization involving work of comparable level within a bureau; (3) to perform, under administrative direction, with wide latitude for the exercise of independent judgment, work of unusual difficulty and responsibility requiring extended professional, scientific, or technical training and experience which has demonstrated leadership and marked attainments in professional, scientific, or technical research, practice, or administration; or (4) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–14 includes all classes of positions the duties of which are (1) to perform, under general administrative direction, with wide latitude for the exercise of independent judgment, work of exceptional difficulty and responsibility along special technical, supervisory, or administrative lines which has demonstrated leadership and unusual attainments; (2) to serve as head of a major organization within a bureau involving work of comparable level; (3) to plan and direct or to plan and execute major professional, scientific, technical, administrative, fiscal, or other specialized programs, requiring extended training and experience which has demonstrated leadership and unusual attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (4) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–15 includes all classes of positions the duties of which are (1) to perform, under general administrative direction, with very wide latitude for the exercise of independent judgment, work of outstanding difficulty and responsibility along special technical, supervisory, or administrative lines which has demonstrated leadership and exceptional attainments; (2) to serve as head of a major organization within a bureau involving work of comparable level; (3) to plan and direct or to plan and execute specialized programs of marked difficulty, responsibility, and national significance, along professional, scientific, technical, administrative, fiscal, or other lines, requiring extended training and experience which has demonstrated leadership and unusual attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (4) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–16 includes all classes of positions the duties of which are (1) to perform, under general administrative direction, with unusual latitude for the exercise of independent judgment, work of outstanding difficulty and responsibility along special technical, supervisory, or administrative lines which has demonstrated leadership and exceptional attainments; (2) to serve as the head of a major organization involving work of comparable level; (3) to plan and direct or to plan and execute professional, scientific, technical, administrative, fiscal, or other specialized programs of unusual difficulty, responsibility, and national significance, requiring extended training and experience which has demonstrated leadership and exceptional attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (4) to perform consulting or other professional, scientific, tech-

nical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–17 includes all classes of positions the duties of which are (1) to serve as the head of a bureau where the position, considering the kind and extent of the authorities and responsibilities vested in it, and the scope, complexity, and degree of difficulty of the activities carried on, is of a high order among the whole group of positions of heads of bureaus; (2) to plan and direct or to plan and execute professional, scientific, technical, administrative, fiscal, or other specialized programs of exceptional difficulty, responsibility, and national significance, requiring extended training and experience which has demonstrated exceptional leadership and attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (3) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

Grade GS–18 includes all classes of positions the duties of which are (1) to serve as the head of a bureau where the position, considering the kind and extent of the authorities and responsibilities vested in it, and the scope, complexity, and degree of difficulty of the activities carried on, is exceptional and outstanding among the whole group of positions of heads of bureaus; (2) to plan and direct or to plan and execute frontier or unprecedented professional, scientific, technical, administrative, fiscal, or other specialized programs of outstanding difficulty, responsibility, and national significance, requiring extended training and experience which has demonstrated outstanding leadership and attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (3) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

[(b) The Crafts, Protective, and Custodial Schedule shall be divided into ten grades of difficulty and responsibility of work, as follows:

[CRAFTS, PROTECTIVE, AND CUSTODIAL SCHEDULE

[Grade CPC–1 includes all classes of positions the duties of which are to run errands, to check parcels, or to perform other light manual tasks with little or no responsibility.

[Grade CPC–2 includes all classes of positions the duties of which are to handle desks, mail sacks, and other heavy objects, and to perform similar work ordinarily required of unskilled laborers; to pass coal; to clean office rooms; to perform regular messenger work with little responsibility; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–3 includes all classes of positions the duties of which are to perform, under immediate supervision, custodial, or office labor work with some degree of responsibility; to operate paper-cutting, canceling, envelope-opening, or envelope-sealing machines; to fire and keep up steam in low-pressure boilers used for heating purposes, and to clean boilers and oil machinery and related apparatus; to operate passenger automobiles or light-duty trucks; to pack goods for shipment; to work as leader of a group of charwomen; to perform messenger work and do light manual or office-labor tasks with some responsibility; to carry important documents from one office to another, or attend the door and private office of a public officer; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–4 includes all classes of positions the duties of which are to perform, under general supervision, custodial work of a responsible character; to guard office or storage buildings; to supervise and direct a force of unskilled laborers; to fire and to keep up steam in high-pressure boilers and to operate other equipment used in connection with such boilers; to perform general, semimechanical, new, or repair work requiring some skill with hand tools; to work as craft or trade helper; to operate heavy-duty trucks, semitrailers, or tractor trailers; to operate a passenger automobile for a department head or officer of comparable rank; to attend the door of a private office of a department head or officer of comparable rank; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–5 includes all classes of positions the duties of which are to guard property of great value while in transit; to supervise the operation and maintenance of a low-capacity heating plant and its auxiliary equipment; or to perform

other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–6 includes all classes of positions the duties of which are to have immediate direction of a detachment of building guards; to perform the work of a skilled mechanic; to repair office appliances; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–7 includes all classes of positions the duties of which are to assist in the general supervision of a force of building guards; to work as leader of a group of skilled mechanics; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–8 includes all classes of positions the duties of which are to have general supervision over a force of building guards; to supervise the operation of a mechanical shop; to direct skilled mechanics and other employees engaged in the operation and maintenance of equipment providing heating, ventilating, air conditioning, power, and sanitation in one or more public buildings; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–9 includes all classes of positions the duties of which are to direct supervisory and office assistants, mechanics, guards, elevator operators, laborers, janitors, and other employees engaged in the custody, maintenance, and protection of a public building; or to assist in the direction of such employees when engaged in similar duties in a group of buildings; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

[Grade CPC–10 includes all classes of positions the duties of which are to direct supervisory and office assistants, mechanics, guards, elevator operators, laborers, janitors, and other employees engaged in the custody, maintenance, and protection of a group of public buildings; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.]

SEC. 603. [(a) Except as provided in subsection (c) (2), the rates of basic compensation with respect to officers, employees, and positions to which this Act applies shall be in accordance with the schedules of per annum rates contained in subsections (b) and (c) (1).] *(a) The rates of basic compensation with respect to officers, employees, and positions to which this Act applies shall be in accordance with the compensation schedule contained in subsection (b).*

(b) The compensation schedule for the General Schedule shall be as follows:

Grade	Per annum rates						
GS-1	$2,500	$2,580	$2,660	$2,740	$2,820	$2,900	$2,980
GS-2	2,750	2,830	2,910	2,990	3,070	3,150	3,230
GS-3	2,950	3,030	3,110	3,190	3,270	3,350	3,430
GS-4	3,175	3,255	3,335	3,415	3,495	3,575	3,655
GS-5	3,410	3,535	3,660	3,785	3,910	4,035	4,160
GS-6	3,795	3,920	4,045	4,170	4,295	4,420	4,545
GS-7	4,205	4,330	4,455	4,580	4,705	4,830	4,955
GS-8	4,620	4,745	4,870	4,995	5,120	5,245	5,370
GS-9	5,060	5,185	5,310	5,435	5,560	5,685	5,810
GS-10	5,500	5,625	5,750	5,875	6,000	6,125	6,250
GS-11	5,940	6,140	6,340	6,540	6,740	6,940	
GS-12	7,040	7,240	7,440	7,640	7,840	8,040	
GS-13	8,360	8,560	8,760	8,960	9,160	9,360	
GS-14	9,600	9,800	10,000	10,200	10,400	10,600	
GS-15	10,800	11,050	11,300	11,550	11,800		
GS-16	12,000	12,200	12,400	12,600	12,800		
GS-17	13,000	13,200	13,400	13,600	13,800		
GS-18	14,800						

[(c) (1) The compensation schedule for the Crafts, Protective, and Custodial Schedule shall be as follows:

[Grade	Per annum rates						
CPC-1	$1,810	$1,870	$1,930	$1,990	$2,050	$2,110	$2,170
CPC-2	2,420	2,490	2,560	2,630	2,700	2,770	2,840
CPC-3	2,552	2,632	2,712	2,792	2,872	2,952	3,032
CPC-4	2,750	2,830	2,910	2,990	3,070	3,150	3,230
CPC-5	2,974	3,054	3,134	3,214	3,294	3,374	3,454
CPC-6	3,200	3,280	3,360	3,440	3,520	3,600	3,680
CPC-7	3,435	3,535	3,635	3,735	3,835	3,935	4,035
CPC-8	3,740	3,865	3,990	4,115	4,240	4,365	4,490
CPC-9	4,150	4,275	4,400	4,525	4,650	4,775	4,900
CPC-10	4,565	4,690	4,815	4,940	5,065	5,190	5,315

[(2) Charwomen working part time shall be paid at the rate of $2,700 per annum, and head charwomen working part time at the rate of $2,840 per annum.

[(d) Whenever payment is made on the basis of a daily, hourly, weekly, biweekly, or monthly rate, such rate shall be computed from the appropriate annual rate specified in subsection (b) or (c) by the method prescribed in section 604 (d) of the Federal Employees Pay Act of 1945.]

(c) Whenever payment is made on the basis of a daily, hourly, weekly, biweekly, or monthly rate, such rate shall be computed from the appropriate annual rate specified in subsection (b) by the method prescribed in section 604 (d) of the Federal Employees Pay Act of 1945, as amended.

[SEC. 604. (a) For the purpose of making initial adjustments to the classification grades provided in this Act, positions which are required to be compensated in accordance with this Act and which were immediately prior to the effective date of this title in the professional and scientific service, the subprofessional service, the clerical, administrative, and fiscal service, or the crafts, protective, and custodial service of the Classification Act of 1923, as amended, are hereby allocated to corresponding grades of the General Schedule or the Crafts, Protective, and Custodial Schedule as set forth below:

Service and grade of the Classification Act of 1923, as amended				Corresponding new grade	
Professional and scientific service	Subprofessional service	Clerical, administrative, and fiscal service	Crafts, protective, and custodial service	General schedule	Crafts, protective, and custodial schedule
	1			GS-1	
	2	1		GS-1	
	3	2		GS-2	
	4	3		GS-3	
	5	4		GS-4	
1	6	5		GS-5	
	7	6		GS-6	
2	8	7		GS-7	
		8		GS-8	
3		9		GS-9	
		10		GS-10	
4		11		GS-11	
5		12		GS-12	
6		13		GS-13	
7		14		GS-14	
8		15		GS-15	
			1		CPC-1
			2		CPC-2
			3		CPC-3
			4		CPC-4
			5		CPC-5
			6		CPC-6
			7		CPC-7
			8		CPC-8
			9		CPC-9
			10		CPC-10

[(b) The rates of basic compensation of officers and employees to whom this Act applies shall be initially adjusted as follows:

[(1) In all cases where the number of pay rates within a grade specified in this Act is the same as in the corresponding grade of the Classification Act of 1923, as amended, employees shall have the same relative pay rate of the new grade, except as provided in paragraphs (2), (3), and (11) of this subsection.

[(2) Employees in grade 1 of the subprofessional service immediately prior to the effective date of this title, at the first, second, third, fourth, fifth, sixth, and seventh rate shall have the first, first, second, third, fourth, fifth, and sixth rate, respectively, of grade 1 of the General Schedule.

[(3) Employees in grade 2 of the subprofessional service immediately prior to the effective date of this title, at the first, second, third, fourth, fifth, sixth, and seventh rate shall have the second, third, fourth, fifth, sixth, seventh, and seventh rate, respectively, of grade 1 of the General Schedule.

[(4) Employees in grade 1 of the crafts, protective, and custodial service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, third, fourth, sixth, and seventh rate, respectively, of grade 1 of the Crafts, Protective, and Custodial Schedule.

[(5) Employees in grades 2 and 3 of the crafts, protective, and custodial service immediately prior to the effective date of this title, shall have the same relative pay rate of the first six rates of grades 2 and 3, respectively, of the Crafts, Protective, and Custodial Schedule.

[(6) Employees in grade 4 of the professional and scientific service and grade 11 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fourth, and sixth rate, respectively, of grade 11 of the General Schedule.

[(7) Employees in grade 5 of the professional and scientific service and grade 12 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fourth, and fifth rate, respectively, of grade 12 of the General Schedule.

[(8) Employees in grade 6 of the professional and scientific service and grade 13 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fourth, and fifth rate, respectively, of grade 13 of the General Schedule.

[(9) Employees in grade 7 of the professional and scientific service and grade 14 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fifth, and sixth rate, respectively, of grade 14 of the General Schedule.

[(10) Employees in grade 8 of the professional and scientific service and grade 15 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first and second rate of the grade shall have the third rate of grade 15 of the General Schedule.

[(11) Employees receiving a rate of basic compensation, authorized by law, immediately prior to the effective date of this title, in excess of the appropriate new rate of the grade as determined under paragraphs (1) to (10), inclusive, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this Act.]

Sec. 604. Employees receiving basic compensation at a rate authorized by law, immediately prior to the effective date of this title, in excess of the appropriate new rate of the grade as determined under paragraphs (1) to (10), inclusive, of section 604 (b) of this act, as in effect prior to the date of enactment of this amended section, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this act.

* * * * * * *

[Sec. 702. (a) Within the limit of available appropriations and in accordance with standards promulgated by the Commission, each department is authorized, subject to prior approval by the Commission (except as provided in subsection (b)), to make additional step-increases as a reward for superior accomplishment, but no officer or employee shall be eligible for more than one such additional step-increase within each of the time periods specified in section 701.

[(b) The Commission is authorized to delegate to any department the authority to make the additional step-increases provided for in this section, without prior approval in individual cases by the Commission. The Commission may withdraw or suspend such authority whenever review of such actions by the Commission indicates that standards promulgated by the Commission have not been observed, and may restore such authority whenever it is satisfied that subsequent actions will be taken in conformance with such standards.

[(c) Each department shall report to the Commission all actions taken under this section, together with the reasons therefor. The Commission shall submit an annual report to Congress covering the numbers and types of actions taken under this section.]

Sec. 703. (a) Subject to subsection (b), and as a reward for long and faithful service, each department shall grant an additional step-increase (to be known as a longevity step-increase) beyond the maximum scheduled rate of the grade in which his position is placed, to each officer or employee for each three years of continuous service completed by him at such maximum rate or at a rate in excess thereof authorized by this section without [change of] *increase in* grade or rate of basic compensation except such [change] *increase* as may be prescribed by any provision of law of general application. Officers and employees who are otherwise eligible shall receive full credit under this subsection for service at the maximum authorized salary rate specified in the Bacharach Act of May 29, 1928, as amended and supplemented, and the Reed-Jenkins Act of May 29, 1928, as amended, to

the same extent as if such service had been at the maximum rate of a grade of the Classification Act of 1923, as amended.

(b) (1) No officer or employee shall be entitled to a longevity step-increase while holding a position in any grade above grade [10] *15* of the General Schedule.

(2) No officer or employee shall receive a longevity step-increase unless his current efficiency rating is "satisfactory" or better.

(3) No officer or employee shall receive more than one longevity step-increase for any three years of continuous service.

(4) Each longevity step-increase shall be equal to one step-increase of the grade in which the position of the officer or employee is placed.

(5) Not more than three successive longevity step-increases may be granted to any officer or employee.

(6) The officer or employee shall have had, in the aggregate, not less than ten years of service in the position which he then occupies, or in positions of equivalent or higher class or grade.

(c) When an officer or employee, receiving basic compensation at a rate in excess of the maximum scheduled rate for his grade under section 604 [(b) (11)], section 1105 (b), or any other provision of law, is eligible for his first longevity step-increase beyond the maximum rate of such grade he shall—

(1) receive total basic compensation which is equal to the basic compensation at the maximum scheduled rate for his grade plus such first longevity step-increase, or

(2) continue to receive compensation at such rate in excess of the maximum scheduled rate for his grade, if the compensation at such rate is higher than the total basic compensation specified in paragraph (1).

In case any such officer or employee receiving compensation under paragraph (2) is eligible for a subsequent successive longevity step-increase, he shall—

(A) receive the same total basic compensation which he would be entitled to receive after such subsequent longevity step-increase, if his total basic compensation had, at the time he was eligible for his first longevity step-increase, been determined under paragraph (1), or

(B) continue to receive compensation under paragraph (2) if such compensation is higher than the total basic compensation specified in paragraph (A).

[SEC. 704. In computing length of service for the purposes of this title, service immediately preceding the effective date of this title shall be counted toward (1) one step-increase under section 701 and one additional step-increase under section 702, or (2) longevity step-increases under section 703, as the case may be.]

SEC. 704. In the case of officers and employees in grades 11 to 15, inclusive, of the General Schedule who are receiving compensation at or above the maximum scheduled rates for their respective grades on the date immediately preceding the effective date of this amendatory section, not to exceed three years of service performed immediately preceding such effective date shall be counted toward longevity step-increases under section 703. Notwithstanding subsection (b) (4) of section 703, longevity step-increases for grade 15 of the General Schedule shall be $200.

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SEC. 802. (a) The rate of basic compensation to be received by any officer or employee to whom this Act applies shall be governed by regulations issued by the Commission in conformity with this Act when—

(1) he is transferred from a position to which this Act does not apply;

(2) he is transferred from any position to which this Act applies to another such position;

(3) he is demoted to a position in a lower grade;

(4) he is reinstated, reappointed, or reemployed;

(5) his type of appointment is changed;

(6) his employment status is otherwise changed; or

(7) his position is changed from one grade to another grade.

(b) Any officer or employee who is promoted or transferred to a position in a higher grade shall receive basic compensation at the lowest rate of such higher grade which exceeds his existing rate of basic compensation by not less than one step-increase of the grade from which he is promoted or transferred. If, in the case of any officer or employee so promoted or transferred who is receiving (1) one or more longevity step-increases under section 703, or (2) basic compensation at a rate in excess of the maximum scheduled rate for his grade under section 604 [(b) (11)], section 1105 (b), or any other provision of law, there is no rate in such higher grade which is at least one step-increase above his existing rate of basic compensation, he shall receive (A) the maximum scheduled rate of such higher

grade, or (B) his existing rate of basic compensation, if such existing rato is the higher.

[SEC. 803. The Commission shall make a study of the problem of additional compensation for hazardous employments and submit a report to Congress not later than one year from the date of enactment of this Act, setting forth its findings and such recommendations as it may deem advisable for a future policy and plan with respect to additional compensation for hazardous employments.]

SEC. 803. (a) Whenever the Commission shall find (1) that a sufficient number of qualified eligibles for positions in a given class cannot be secured in one or more areas or locations at the existing minimum rate for such class, and (2) that there is a possibility that a sufficient number of such eligibles can be secured by increasing the minimum rate for such class in such areas or loc tions to one of the higher rates within the grade in which such class is placed, the Commission may establish such higher rate as the minimum rate for that class in each area or location concerned.

(b) Minimum rates established under subsection (a) may be revised from time to time by the Commission. Such actions or revisions shall have the force and effect of law.

(c) Any increase in rate of basic compensation resulting from the establishment of minimum rates under this section shall not be regarded as an "equivalent increase" in compensation within the meaning of section 701 (a).

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[SEC. 1002. (a) In each department there shall be established an Efficiency Awards Committee, the membership of which shall be designated by the head of the department.

[(b) It shall be the duty of the Efficiency Awards Committee (1) to identify those supervisors and employees within the department whose superior accomplishments have contributed to outstanding efficiency and economy in administration, and (2) to award to such supervisors and employees, subject to the approval of the head of the department and to the limitations of subsection (c), cash awards or increases in rates of basic compensation which, in the judgment of the Committee, are commensurate with their demonstrated superior accomplishments: *Provided, however,* That the total amount of such awards or increases to any group of supervisors and employees shall not exceed 25 per centum of the estimated saving to the Government due to their superior accomplishments.

[(c) Any such cash award or any such increase in rate of basic compensation shall not exceed an amount equal to three times the step-increase of the applicable grade. Any such increase in rate of basic compensation shall be at one, two, or three times the step-increase of the applicable grade and shall be in lieu of any additional compensation as a reward for superior accomplishment under section 702.

[(d) An award under this title shall be given due weight in qualifying and selecting employees for promotion to positions in higher grades.

[SEC. 1003. The Bureau of the Budget shall maintain control of the program set forth in this title and shall annually report the results of such program to Congress, with such recommendations as it may deem advisable.]

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FEDERAL EMPLOYEES PAY ACT OF 1945

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SEC. 101. (a) Subject to the exemptions specified in section 102 of this Act, titles [II and III] *II, III, and IV* of this Act shall apply (1) to all civilian officers and employees in or under the executive branch of the Government, including Government-owned or controlled corporations, and in or under the District of Columbia municipal government, and (2) to those officers and employees of the judicial branch of the Government, the Library of Congress, the Botanic Garden, and the Office of the Architect of the Capitol who occupy positions subject to the Classification Act of 1923, as amended.

[(b) Title IV of this Act shall apply to officers and employees who occupy positions subject to the Classification Act of 1923, as amended.]

(c) Subject to the exemptions specified in section 102 of this Act, titlo V of this Act shall apply to officers and employees in or under the legislative or the judicial branch of the Government whose compensation is not fixed in accordanco with the Classification Act of 1923, as amended, and to the officia lreporters of proceedings and debates of the Senate and their employees.

(d) Subject to the exemptions specified in section 102 of this Act, title VI of this Act (containing miscellaneous provisions) shall apply to civilian officers and employees of the Government according to the terms thereof.

(e) All provisions of this Act applicable to the executive branch of the Government shall be applicable to the General Accounting Office.

* * * * * * *

[SEC. 201. Officers and employees to whom this title applies shall, in addition to their basic compensation, be compensated for all hours of employment, officially ordered or approved, in excess of forty hours in any administrative workweek, at overtime rates as follows:

[(a) For employees whose basic compensation is at a rate less than $2,980 per annum, the overtime hourly rate shall be one and one-half times the basic hourly rate of compensation: *Provided*, That in computing such overtime compensation for per annum employees, the basic hourly rate of compensation shall be determined by dividing the per annum rate by two thousand and eighty.

[(b) For employees whose basic compensation is at a rate of $2,980 per annum or more, the overtime hourly rate shall be in accordance with and in proportion to the following schedule:

Basic rate of compensation per annum	Overtime rate of compensation per 416 overtime hours
$2,980	$894. 000
3,090	885. 554
3,200	877. 108
3,310	868. 662
3,420	860. 216
3,530	851. 770
3,640	843. 324
3,750	834. 878
3,860	826. 432
3,970	817. 986
4,080	809. 540
4,190	801. 094
4,300	792. 648
4,410	784. 202
4,520	775. 756
4,630	767. 310
4,740	758. 864
4,960	741. 972
5,180	725. 080
5,390	708. 955
5,600	692. 831
5,810	676. 707
6,020	660. 583
6,230	644. 458
6,440 and over	628. 334]

SEC. 201. All hours of work officially ordered or approved in excess of forty hours in any administrative workweek performed by officers and employees to whom this title applies shall be considered to be overtime work and compensation for such overtime work, except as otherwise provided for in this Act, shall be ot the following rates:

(1) For each officer and employee whose basic compensation is at a rate which does not exceed the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an omount equal to one and one-half times the hourly rate of basic compensation of such officer or employee, and all of such amount shall be considered premium compensation.

(2) For each officer ond employee whose basic compensation is at a rate which exceeds the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equol to one and one-half times the hourly rate of such maximum scheduled rate of basic compensation, or an amount equal to the basic hourly rate of compensation of such officer or employee, whichever is greater, and all of such amount shall be considered premium compensation.

[SEC. 202. (a) The heads of departments, or of independent establishments or agencies, including Government-owned or controlled corporations, and of the District of Columbia municipal government, and the heads of legislative or judicial agencies to which this title applies, may by regulation provide for the granting of

compensatory time off from duty, in lieu of overtime compensation for irregular or occasional duty in excess of forty hours in any regularly scheduled administrative workweek, to those per annum employees requesting such compensatory time off from duty.]

Sec. 202. (a) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, or the municipal government of the District of Columbia or the head of any legislative or judicial agency to which this title applies, (1) may, at the request of any officer or employee, grant such officer or employee compensatory time off from his scheduled tour of duty in lieu of payment for an equal amount of time spent in irregular or occasional overtime work, and (2) may, at his own discretion, provide that any officer or employee, whose rate of basic compensation is in excess of the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, shall be compensated for irregular or occasional overtime work for which compensation would be due under this Act with an equal amount of compensatory time off from his scheduled tour of duty in lieu of such compensation.

* * * * * * *

CALL-BACK OVERTIME

Sec. 203. For the purposes of this Act, any unscheduled overtime work performed by any officer or employee on a day when no work was scheduled for him, or for which he is required to return to his place of employment, shall be considered to be at least two hours in duration.

TIME IN TRAVEL STATUS

Sec. 204. For the purpose of this Act, time spent in a travel status away from the official-duty station of any officer or employee shall be considered as hours of employment only when (a) within the days and hours of such officer's or employee's regularly scheduled administrative workweek, including regularly scheduled overtime hours, or (b) when the travel involves the performance of work while traveling or is carried out under arduous conditions.

Sec. [203] *205.* Employees whose basic rate of compensation is fixed on an annual or monthly basis and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose shall be entitled to overtime pay in accordance with the provisions of section 23 of the Act of March 28, 1934 (U. S. C., 1940 edition, title 5, sec. 673c). The rate of compensation for each hour of overtime employment of any such employee shall be computed as follows:

(a) If the basic rate of compensation of the employee is fixed on an annua basis, divide such basic rate of compensation by two thousand and eighty and multiply the quotient by one and one-half; and

(b) If the basic rate of compensation of the employee is fixed on a monthly basis, multiply such basic rate of compensation by twelve to derive a basic annual rate of compensation, divide such basic annual rate of compensation by two thousand and eighty, and multiply the quotient by one and one-half.

* * * * * * *

[Sec. 301. (a) Any officer or employee to whom this title applies who is assigned to a regularly scheduled tour of duty, any part of which, including overtime, falls between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian, shall, for duty between such hours, excluding periods when he is in a leave status, be paid compensation at a rate 10 per centum in excess of his rate of basic compensation for duty between other hours: *Provided*, That such differential for night duty shall not be included in computing any overtime compensation to which the officer or employee may be entitled: *And provided further*, That this section shall not operate to modify the provisions of the Act of July 1, 1944 (Public Law Numbered 394, Seventy-eighth Congress), or any other law authorizing additional compensation for night work.]

Sec. 301. (a) Any regularly scheduled work between the hours of six o'clock postmeridian and six o'clock antemeridian (including periods of absence with pay during such hours due to holidays, and any such hours within periods of leave with pay if such periods total less than eight hours during any pay period) shall be considered night work, except as provided in subsection (b), and any officer or employee performing such work to whom this title applies shall be compensated for such work at his rate of basic compensation plus premium compensation amounting to 10 per centum of such rate, unless otherwise provided in title IV of this Act. This section shall not operate to modify the provisions of the Act of July 1, 1944 (Public Law Numbered 394, Seventy-eighth Congress), or any other law authorizing additional compensation for night work.

(b) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, may designate any time after six o'clock postmeridian and any time before six o'clock antemeridian as the beginning and end, respectively, of night work for the purpose of subsection (a) at any post outside the several States and the District of Columbia where customary hours of business extend into the hours of night work provided by such subsection.

[SEC. 302. Any officer or employee to whom this title applies who is assigned to duty on a holiday designated by Federal statute or Executive order during hours which fall within his basic administrative workweek of forty hours shall be compensated for not to exceed eight hours of such duty, excluding periods when he is in a leave status, in lieu of his regular rate of basic compensation for such duty, at the rate of twice such regular rate of basic compensation, in addition to any extra compensation for night duty provided by section 301 of this Act: *Provided*, That extra holiday compensation paid under this section shall not serve to reduce the amount of overtime compensation to which the employee may be entitled under this or any other Act during the administrative workweek in which the holiday occurs, but such extra holiday compensation shall not be considered to be a part of the basic compensation for the purpose of computing such overtime compensation. This section shall take effect upon the cessation of hostilities in the present war as proclaimed by the President, or at such earlier time as the Congress by concurrent resolution may prescribe. Prior to so becoming effective, it shall be effective with respect to any designated holiday only if the President has declared that such day shall not be generally a workday in the Federal service.]

SEC. 302. (a) All work not exceeding eight hours, which is not overtime work as defined in section 201 of this Act and which is performed on a holiday designated by Federal statute or Executive order, shall be compensated at the rate of basic compensation of the officer or employee performing such work on a holiday plus premium compensation at a rate equal to the rate of basic compensation of such officer or employee.

(b) Any officer or employee who is required to perform any work on such a holiday shall be compensated for at least two hours of such work, and any such premium compensation due under the provisions of this section shall be in addition to any premium compensation which may be due for the same work under the provisions of section 301 of this Act providing premium compensation for nightwork.

(c) Overtime work, as defined in section 201 of this Act, on Sundays and such holidays shall be compensated in accordance with the provisions of such section 201.

* * * * * * *

TITLE IV—SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK

SEC. 401. (a) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, or of the municipal Government of the District of Columbia may, with the approval of the Civil Service Commission, provide that—

(1) any officer or employee in a position requiring him regularly to remain at, or within the confines of, his station during longer than ordinary periods of duty, a substantial part of which consists of remaining in a standby status rather than performing work, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this Act. Premium compensation under this paragraph shall be determined as an appropriate percentage (not in excess of 25 per centum) of such part of the rate of basic compensation for any such position as does not exceed the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, by taking into consideration the number of hours of actual work required in such position, the number of hours required in a standby status at or within the confines of the station, the extent to which the duties of such position are made more onerous by night or holiday work, or by being extended over periods of more than forty hours a week, and any other relative factors; or

(2) any officer or employee in a position in which the hours of duty cannot be controlled administratively, and which requires substantial amounts of irregular, unscheduled, overtime duty and duty at night and on holidays with the officer or employee generally being responsible for recognizing, without supervision, circumstances which require him to remain on duty, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this Act, except for regularly scheduled overtime duty. Premium compensation under this paragraph shall be determined as an appropriate percentage (not in excess of 15 per centum) of such part of the rate of basic compensation for any such position as does not exceed the maximum scheduled

rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, by taking into consideration the frequency and duration of night, holiday, and unscheduled overtime duty required in such position.

* * * * * * *

(b) This section shall not apply to officers and employees in positions the duties of which are to supervise or perform work involved in (1) fighting fires, (2) maintaining fire-fighting apparatus and equipment, (3) inspecting fire protection apparatus and equipment, and (4) inspecting fire hazards in public buildings and reservations with a view to elimination of such fire hazards. Any such officer or employee shall receive premium compensation for such duty on the basis to which such officer or employee is entitled under any other provisions of this Act.

[LIMITATIONS ON REDUCTIONS AND INCREASES IN COMPENSATION

[SEC. 603. (a) The aggregate per annum rate of compensation with respect to any pay period, in the case of any full-time employee in the service on July 1, 1945, (1) who was a full-time employee on June 30, 1945, (2) whose per annum basic rate of compensation on June 30, 1945, did not exceed a rate of $1,800 per annum, and (3) whose compensation is fixed in accordance with the provisions of the Classification Act of 1923, as amended, or the Act entitled "An Act to adjust the compensation of certain employees in the Customs Service", approved May 29, 1928, as amended, shall not, under the rates of compensation established by this Act, so long as he continues to occupy the position he occupied on June 30, 1945, be less than his per annum basic rate of compensation on such date, plus the rate of $300 per annum or 25 per centum of such per annum basic rate of compensation, whichever is the smaller amount.

[(b) Notwithstanding any other provision of this Act, no officer or employee shall, by reason of the enactment of this Act, or any amendment thereto, be paid, with respect to any pay period, basic compensation, or basic compensation plus any additional compensation provided by this Act, at a rate in excess of $10,330 per annum, except that (1) any officer or employee who was receiving overtime compensation on June 30, 1945, and whose aggregate rate of compensation on such date was in excess of $10,000 per annum may receive overtime compensation at such rate as will not cause his aggregate rate of compensation for any pay period to exceed the aggregate rate of compensation he was receiving on June 30, 1945, until he ceases to occupy the office or position he occupied on such date or until the overtime hours of work in his administrative workweek are reduced by action of the head of his department or independent establishment or agency, or Government owned or controlled corporation, and when such overtime hours are reduced such rate of overtime compensation shall be reduced proportionately, and (2) any officer or employee who, because of the receipt of additional compensation in lieu of overtime compensation, was receiving aggregate compensation at a rate in excess of $10,000 per annum on June 30, 1945, may continue to receive such rate of aggregate compensation so long as he continues to occupy the office or position he occupied on such date but in no case beyond June 30, 1947.]

LIMITATION ON PREMIUM COMPENSATION

SEC. 603. (a) No premium compensation provided by this Act shall be paid to any officer or employee whose rate of basic compensation equals or exceeds the maximum scheduled rate of basic compensation provided for grade GS–15 in the Classification Act of 1949, as amended.

(b) In the case of any officer or employee whose rate of basic compensation is less than the maximum scheduled rate of basic compensation provided for grade GS–15 in the Classification Act of 1949, as amended, such premium compensation may be paid only to the extent that such payment would not cause his aggregate rate of compensation to exceed such maximum scheduled rate with respect to any pay period.

ESTABLISHMENT OF BASIC WORKWEEK; *WORK SCHEDULES;* PAY COMPUTATION METHODS

SEC. 604. (a) (*1*) It shall be the duty of the heads of the several departments and independent establishments and agencies in the executive branch, including Government-owned or controlled corporations, and the District of Columbia municipal government, to establish as of the effective date of this Act, for all full-time officers and employees in their respective organizations, in the departmental and the field services, a basic administrative workweek of forty hours, and to

require that the hours of work in such workweek be performed within a period of not more than six of any seven consecutive days.

(2) Except where the head of each such department, establishment, or agency and of the municipal government of the District of Columbia determines that his organization would be seriously handicapped in carrying out its functions or that costs would be substantially increased, he shall provide, with respect to all officers and employees in his organization, (A) that assignments to tours of duty shall be scheduled in advance over periods of not less than one week, (B) that the basic forty-hour workweek shall be scheduled on five days, which shall be Monday through Friday wherever possible, and the two days outside the basic workweek shall be consecutive, (C) that the working hours in each day in the basic workweek shall be the same, (D) that the basic nonovertime workday shall not exceed eight hours, (E) that the occurrence of holidays shall not affect the designation of the basic workweek, and (F) that breaks in working hours of more than one hour shall not be scheduled in any basic workday.

* * * * * * *

AN ACT To authorize certain administrative expenses in the Government service, and for other purposes (60 Stat. 809; 5 U. S. C. 116a)

* * * * * * *

[SEC. 14. The head of each department is authorized, under such rules and regulations as the President may prescribe, to pay cash awards to civilian officers and employees (or to their estates) who make meritorious suggestions which will result in improvement or economy in the operations of his department and which have been adopted for use and to incur necessary expenses for the honorary recognition of exceptional or meritorious service: *Provided*, That no award shall be paid to any officer or employee for any suggestion which represents a part of the normal requirements of the duties of his position. With the exception of the War and Navy Departments, the amount of any one award shall not exceed $1,000 and the total of cash awards paid during any fiscal year in any department shall not exceed $25,000. Payments may be made for the appropriation for the activity primarily benefiting or may be distributed among appropriations for activities benefiting as the head of the department determines. A cash award shall be in addition to the regular compensation of the recipient and the acceptance of such cash award shall constitute an agreement that the use by the United States of the suggestion for which the award is made shall not form the basis of a further claim of any nature upon the United States by him, his heirs or assigns.

[All other Acts or parts of Acts in conflict with the provisions of this section are hereby repealed.]

* * * * * * *

AN ACT Authorizing payments of rewards to postal employees for inventions (59 Stat. 591)

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Postmaster General is authorized, under such rules and regulations as he may prescribe, to pay a cash reward for any invention, suggestion, or series of suggestions submitted by one or more employees of the Post Office Department or the Postal Service, which will clearly effect a material economy or increase efficiency in the administration or operation of the Post Office Department or the Postal Service, and which has been adopted for use.

[The total amount of rewards made under this Act in any one fiscal year shall not exceed $25,000 and the amount so paid for any one invention, suggestion, or series of suggestions shall not exceed $1,000.

[Rewards made under this Act shall be paid out of the appropriation for the postal activity primarily benefiting, or may be distributed among appropriations for postal activities benefiting, as the Postmaster General may determine. Payments shall be in addition to the regular compensation of the employee receiving the reward. No employee shall be paid a reward under this Act until he has properly executed an agreement to the effect that the use by the United States of the invention, suggestion, or series of suggestions made by him shall not form the basis of a further claim of any nature upon the United States by him, his heirs, or assigns.]

AN ACT Authorizing the Secretary of War to pay a cash award for suggestions submitted by employees of certain establishments of the Ordnance Department for improvement or economy in manufacturing processes or plant (37 Stat. 193; 50 U. S. C. 58)

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of War is hereby authorized to offer periodically at such of the establishments of the Ordnance Department as he may select a cash reward for the suggestion, or series of suggestions, for an improvement or economy in manufacturing processes or plant, submitted within the period by one or more employees of the establishment which shall be deemed the most valuable of those submitted and adopted for use: *Provided*, That to obtain this reward the winning suggestion must be one that will clearly effect a material economy in production or increase efficiency or enhance the quality of the product in comparison with its cost and in the opinion of the Secretary shall be so worthy as to entitle the employee making the same to receive the reward: *Provided further*, That the sums awarded to employees in accordance with this Act shall be paid them in addition to their usual compensation and shall constitute part of the general or shop expense of the establishment: *Provided further*, That the total amount paid under the provisions of this Act shall not exceed one thousand dollars for any one month: *And provided further*, That no employee shall be paid a reward under this Act until he has properly executed an agreement to the effect that the use by the United States of the suggestion, or series of suggestions, made by him shall not form the basis of a further claim of any nature upon the United States by him, his heirs, or assigns, and that application for patent has not been made for the invention.]

AN ACT To provide equitable compensation for useful suggestions or inventions by personnel of the Department of the Interior (58 Stat. 360; 5 U. S. C. 500)

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Interior is authorized to pay cash rewards, subject to such regulations as he shall prescribe, to officers and employees of the Department of the Interior, who, in the course of their employment, and subsequent to November 17, 1942, make suggestions or inventions which are of such a nature that their adoption would result in improved technological or scientific processes or methods, or in improvements in the administration or operations of the Department of the Interior. The amount expended for the payment of such rewards during any one fiscal year shall not exceed $20,000 in the aggregate and shall not exceed $1,000 to any one person, unless a greater amount is specifically appropriated for a named person in an exceptionally meritorious case. For the purposes of this Act, the Secretary of the Interior is authorized and directed to set up in the Department a Board of Awards, the proceedings of which shall be available to the public. Nothing in this Act shall be taken or construed as amending or modifying the present patent and trade-mark laws as they now exist or may hereafter be amended.]

AN ACT To enact certain provisions now included in the Naval Appropriation Act, 1946, and for other purposes (60 Stat. 857; 5 U. S. C. 416)

* * * * * * *

SEC. 35. [(a) The Secretary of the Navy is authorized, in his discretion and under such rules and regulations as he may prescribe, to pay cash rewards to civilian personnel of the Naval Establishment or other persons in civil life when, due to a suggestion or series of suggestions by them, there results an improvement or economy in manufacturing process or plant or naval material, or in efficiency or economy in the operation or administration of the Navy Department or the Naval Establishment. Such sums as may be awarded to employees in accordance with this section shall be paid them out of naval appropriations in addition to their usual compensation. No employee or other person in civil life shall be paid a reward under this section until he has properly executed an agreement to the effect that the use by the United States of the suggestion or series of suggestions made by him shall not form the basis of a further claim of any nature against the United States by him, his heirs, or assigns.

[(b) Except as provided in subsection (a) hereof, civilian personnel of the Naval Establishment shall not be paid any premium or bonus or cash reward in addition to their regular salaries.]

* * * * * * *

JOINT RESOLUTION To provide cash awards to personnel of the Maritime Commission and the War Shipping Administration for useful suggestions to improve administration of their activities (58 Stat. 115; 46 U. S. C. 1111b)

[*Resolved by the Senate and House of Representatives of the United States of America in Congress Assembled,* That the United States Maritime Commission is authorized to pay cash awards for suggestions submitted to it by any of its officers or employees in cases where the suggestion, in the opinion of the Commission or of a committee designated by it, would, if adopted, make for substantially increased efficiency, economy, or general improvement in carrying out the duties, powers, or functions of the Commission. Such suggestions shall be submitted and such awards shall be made under such rules and regulations as the Commission may prescribe, including provision for transfer to the United States of all rights or interests of the officer or employee in the suggestion. The provisions of this section shall apply in like manner to the War Shipping Administration and its officers and employees, and for the purpose of this section the terms "United States Maritime Commission" and "Commission" shall be deemed to refer to the War Shipping Administration. The total amount of cash awards made under this joint resolution in any fiscal year shall not exceed $5,000 for each such agency, and the amount paid for any one suggestion shall not exceed $250 for any one suggestion, except in case of a patentable idea, it may be not more than $1,000.]

SECTION 1310 OF THE SUPPLEMENTAL APPROPRIATION ACT, 1952 (PUBLIC LAW 253, 82D CONG.)

[SEC. 1310. Immediately upon the enactment of this Act and until termination of the national emergency proclaimed by the President on December 16, 1950:

[(a) The Civil Service Commission and the heads of the executive departments, agencies, and corporations shall make full use of their authority to require that initial appointments to positions in and outside the competitive civil service shall be made on a temporary or indefinite basis in order to prevent increases in the number of permanent personnel of the Federal Government above the total number of permanent employees existing on September 1, 1950: *Provided,* That any position vacated by a permanent employee called to military service or transferred to a national defense agency shall not be filled except on a temporary or indefinite basis. All reinstatements and promotions in the Federal civil service shall be made on a temporary or indefinite basis, and all permanent employees who are transferred from one agency to another shall retain their status as permanent employees in the agency to which transferred at the grade or basic-pay level of their permanent positions in the agency from which transferred. All appointments, reinstatements, transfers, and promotions to positions subject to the Classification Act of 1949 shall be made with the condition and notice to each individual appointed, reinstated, transferred, or promoted that the classification grade of the position is subject to postaudit and correction by the appropriate departmental or agency personnel office or the Civil Service Commission. All transfers of permanent employees made on a temporary or indefinite basis since September 1, 1950, shall be changed to a permanent basis as of the effective date of this Act: *Provided,* That such employees shall retain their status as permanent employees in the agency to which transferred at the grade or basic pay level of their permanent positions in the agency from which transferred.

[(b) The Civil Service Commission shall facilitate the transfer of Federal employees from nondefense to defense activities and encourage the retention of employees in defense activities, and shall provide reemployment rights for permanent employees in the activities from which such employees are transferred.

[(c) The Civil Service Commission shall make full use of its authority to prevent excessively rapid promotions in the competitive civil service and to provide correction of improper allocations to higher grades of positions subject to the Classification Act of 1949, as amended. No person in any executive department or agency whose position is subject to the Classification Act of 1949, as amended, shall be promoted or transferred to a higher grade subject to such, Act without having served at least one year in the next lower grade: *Provided,* That the Civil Service Commission for positions in the competitive service and the head of the employing agency for positions outside the competitive service may by regulation provide for promotions of two grades in one year (1) to positions not higher than GS–5; (2) to positions not higher than GS–11 which are in a line of work properly classified under the Classification Act of 1949 at two-grade intervals; (3) to positions in the same line of work when the employee has completed a

training period under a training program approved by the Civil Service Commission for positions in the competitive service, or approved by the head of the employing agency for positions outside the competitive service; and (4) of an employee of the agency concerned when there is no position in the normal line of promotion in the grade immediately below that of the position to be filled: *Provided further*, That this subsection shall not apply to any case involving an employee who is within reach for appointment to a higher grade position on a competitive civil service register, or being advanced up to a grade level from which he had been demoted or separated because of reduction in force.

[(d) From time to time, but at least annually, each executive department and agency shall (1) review all positions which since September 1, 1950, have been created or placed in a higher grade or level of difficulty and responsibility of work or in a higher basic pay level, (2) abolish all such positions which are found to be unnecessary, (3) with respect to such positions which are found to be necessary, make such adjustments as may be appropriate in the classification grades of those positions which are subject to the Classification Act of 1949, as amended, or in the basic pay levels of those positions which are subject to other pay-fixing authority. Not later than July 31 of each year each department and agency shall submit a report to the Post Office and Civil Service Committees and Appropriations Committees of the Senate and House of Representatives concerning the action taken under this paragraph, together with information comparing the total number of employees on the payroll on June 30 and their average grade and salary with similar information for the previous June 30, and each annual supplemental budget estimate shall include a statement comparing the average grade and salary provided for in each item of appropriation or fund allowance therein with similar figures reported for the two previous periods.]

Section 2 of the Act of August 3, 1950

Sec. 2. For the purposes of this Act the term "unpaid compensation" means the pay, salary, or allowances, or other compensation due on account of the services of the decedent for the Federal Government or the government of the District of Columbia. It shall include, but not be limited to, (1) * * * [(6) payment for all accumulated and current accrued annual or vacation leave equal to the compensation the decedent would have received had he remained in service until the expiration of the period of such annual or vacation leave, except that after August 31, 1953, no such lump-sum payment shall exceed compensation for any period of such leave in excess of thirty days or the number of days carried over to his credit at the beginning of the leave year in which entitlement to payment occurs, whichever is the greater;] *(6) payment for all occumulated and current accrued annual or vacation leave equal to the compensation the decedent would have received had he remained in the service until the expiration of the period of such annual or vacation leave; except that such lump-sum payment shall not include compensation for any period of accumulated leave in excess of thirty days, plus current accrued leave, or in excess of the number of days of accumulated leave to which he is entitled on the date of separation (excluding accumulated leave earned in the 1954 leave year and thereafter), plus current accrued leave, whichever is the greater*; * * *

Section 6 of the Act of July 2, 1953

[Sec. 6. The heads of the departments and agencies are authorized and directed to take such action as may be necessary to bring about reductions in the accumulated annual leave to the credit of officers and employees which is in excess of the amounts allowable under the applicable provisions of section 203 of the Annual and Sick Leave Act of 1951, as amended by this Act, within a reasonable period of years, consistent with the exigencies of the public business, and to make such reports with respect to the action taken as may be requested by the Civil Service Commission. The Civil Service Commission shall include in its annual report to the Congress a statement of the progress made in carrying out the purposes of this section.]

SECTION 2 (B) OF THE PERFORMANCE RATING ACT OF 1950

SEC. 2. (b) This Act shall not apply to—

(1) * * *

* * * * * * *

(*12*) *The Central Intelligence Agency.*

SECTION 9 OF THE CENTRAL INTELLIGENCE AGENCY ACT OF 1949

[SEC. 9. The Director is authorized to establish and fix the compensation for not more than three positions in the professional and scientific field, within the Agency, each such position being established to effectuate those scientific intelligence functions relating to national security, which require the services of specially qualified scientific or professional personnel: *Provided*, That the rates of compensation for positions established pursuant to the provisions of this section shall not be less than $13,100 per annum nor more than $15,000 per annum, and shall be subject to the approval of the Civil Service Commission.]

○

Calendar No. 2011

83D CONGRESS
2D SESSION

H. R. 2263

[Report No. 1992]

IN THE SENATE OF THE UNITED STATES

MAY 4 (legislative day, APRIL 14), 1954

Read twice and referred to the Committee on Post Office and Civil Service

JULY 28 (legislative day, JULY 2), 1954

Reported by Mr. CARLSON, with amendments

[Strike out all after the enacting clause and insert the part printed in italic]

AN ACT

To authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 ~~That the Act entitled "An Act authorizing the employment~~
4 ~~of mail messengers in the postal service", approved March~~
5 ~~3, 1887 (39 U. S. C., sec. 578), is amended by adding at~~
6 ~~the end thereof the following new paragraph:~~
7 ~~"The Postmaster General may, in his discretion and~~
8 ~~under such regulations as he may prescribe, readjust the~~

~~compensation of the holder of any contract for the performance of mail-messenger service on account of increased or decreased costs occasioned by changed conditions which could not reasonably have been anticipated at the time such contract was made.~~"

TITLE I—AMENDMENTS TO CLASSIFICATION ACT OF 1949

NUMBER OF POSITIONS IN GRADES 16, 17, AND 18 OF THE GENERAL SCHEDULE

SEC. 101. (a) Section 505 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 505. (a) No position shall be placed in grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission.

"(b) No position shall be placed in or removed from grade 18 of the General Schedule except by the President upon recommendation of the Commission.

"(c) At any one time there shall not be more than four hundred positions in grade 16 of the General Schedule, not more than one hundred and fifteen positions in grade 17 of the General Schedule, and not more than thirty-five positions in grade 18 of the General Schedule.

"(d) Positions that may be established under the proviso of section 203 (b) (1) of the Act of August 2, 1946

(60 Stat. 836), may be in addition to those authorized by the foregoing provisions of this section."

(b) The amendment made by subsection (a) shall not affect positions allocated to grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended, pursuant to provisions of law (other than the Classification Act of 1949, as amended) and reorganization plans in effect prior to the effective date of this section.

LONGEVITY STEP-INCREASES

SEC. 102. (a) (1) Subsection (a) of section 703 of the Classification Act of 1949, as amended, is amended by striking out the words "change of grade or rate of basic compensation except such change as may be prescribed by any provision of law of general application" and inserting in lieu thereof the words "increase in grade or rate of basic compensation except such increase as may be prescribed by any provision of law of general application".

(2) Subsection (b) (1) of section 703 of the Classification Act of 1949, as amended, is amended to read as follows:

"(b) (1) No officer or employee shall be entitled to a longevity step-increase while holding a position in any grade above grade 15 of the General Schedule."

(b) The amendments made by subsection (a) shall be-

1 *come effective at the beginning of the first pay period follow-*
2 *ing the date of enactment of this Act.*

3 *SEC. 103. (a) Section 704 of the Classification Act of*
4 *1949, as amended, is amended to read as follows:*

5 *"SEC. 704. In the case of officers and employees in*
6 *grades 11 to 15, inclusive, of the General Schedule who are*
7 *receiving compensation at or above the maximum scheduled*
8 *rates for their respective grades on the date immediately*
9 *preceding the effective date of this amendatory section, not to*
10 *exceed three years of service performed immediately preced-*
11 *ing such effective date shall be counted toward longevity step-*
12 *increases under section 703. Notwithstanding subsection (b)*
13 *(4) of section 703, longevity step-increases for grade 15*
14 *of the General Schedule shall be $200."*

15 *(b) The amendment made by subsection (a) shall become*
16 *effective at the beginning of the first pay period following the*
17 *date of enactment of this Act.*

18 *RECRUITMENT ABOVE THE MINIMUM RATE OF THE CLASS*

19 *SEC. 104. Section 803 of the Classification Act of 1949,*
20 *as amended, is amended to read as follows:*

21 *"SEC. 803. (a) Whenever the Commission shall find*
22 *(1) that a sufficient number of qualified eligibles for posi-*
23 *tions in a given class cannot be secured in one or more areas*
24 *or locations at the existing minimum rate for such class,*
25 *and (2) that there is a possibility that a sufficient number of*

1 *such eligibles can be secured by increasing the minimum rate*
2 *for such class in such areas or locations to one of the higher*
3 *rates within the grade in which such class is placed, the*
4 *Commission may establish such higher rate as the minimum*
5 *rate for that class in each area or location concerned.*
6 *"(b) Minimum rates established under subsection (a)*
7 *may be revised from time to time by the Commission. Such*
8 *actions or revisions shall have the force and effect of law.*
9 *"(c) Any increase in rate of basic compensation result-*
10 *ing from the establishment of minimum rates under this*
11 *section shall not be regarded as an 'equivalent increase' in*
12 *compensation within the meaning of section 701 (a)."*
13 *EXCLUSION FROM CLASSIFICATION ACT OF 1949 OF CRAFTS,*
14 *TRADES, AND LABOR POSITIONS AND APPLICATION OF*
15 *PREVAILING WAGE POLICY TO SUCH POSITIONS*
16 *SEC. 105. (a) Paragraph (7) of section 202 of the Clas-*
17 *sification Act of 1949, as amended, is amended to read as*
18 *follows:*
19 *"(7) employees in recognized trades or crafts, or*
20 *other skilled mechanical crafts, or in unskilled, semi-*
21 *skilled, or skilled manual-labor occupations, and other*
22 *employees including foremen and supervisors in positions*
23 *having trade, craft, or laboring experience and knowl-*
24 *edge as the paramount requirement, and employees in*
25 *the Bureau of Engraving and Printing the duties of*

1 *whom are to perform or to direct manual or machine*
2 *operations requiring special skill or experience, or to per-*
3 *form or direct the counting, examining, sorting, or other*
4 *verification of the product of manual or machine opera-*
5 *tions: Provided, That the compensation of such em-*
6 *ployees shall be fixed and adjusted from time to time as*
7 *nearly as is consistent with the public interest in ac-*
8 *cordance with prevailing rates: Provided further, That*
9 *whenever the Civil Service Commission concurs in the*
10 *opinion of the employing agency that in any given area*
11 *the number of such employees is so few as to make pre-*
12 *vailing rate determinations impracticable, such employee*
13 *or employees shall be subject to the provisions of the*
14 *Classification Act of 1949, as amended, which are ap-*
15 *plicable to positions of equivalent difficulty or responsi-*
16 *bility."*
17 *(b) Section 204 (c) is amended to read as follows:*
18 *"(c) Section 202 (except paragraph (7) thereof) and*
19 *section 203 shall not apply to the Office of the Architect of*
20 *the Capitol."*
21 *TRANSFER OF CERTAIN POSITIONS FROM THE CRAFTS,*
22 *PROTECTIVE, AND CUSTODIAL SCHEDULE TO THE*
23 *GENERAL SCHEDULE*
24 *SEC. 106. (a) Not earlier than the first day of the second*
25 *pay period which begins after the date of enactment of this*

1 *Act, and not later than the first day of the first pay period*
2 *which begins more than six months after the date of enact-*
3 *ment of this Act, all positions in the Crafts, Protective, and*
4 *Custodial Schedule of the Classification Act of 1949, as*
5 *amended, not excluded from such Act by section 202 (7)*
6 *thereof, as amended by section 105 of this title, shall be placed*
7 *in corresponding grades of the General Schedule as set forth*
8 *below:*

Grade of the Crafts, Protective, and Custodial Schedule	*Corresponding new grade of the General Schedule*
1	*1*
2	*1*
3	*1*
4	*2*
5	*3*
6	*4*
7	*5*
8	*6*
9	*7*
10	*8*

9 *(b) The rates of basic compensation of officers and em-*
10 *ployees to whom this section applies shall be initially ad-*
11 *justed as follows:*
12 *(1) If the employee is receiving a rate of basic com-*
13 *pensation in the Crafts, Protective, and Custodial Schedule*
14 *which is less than the minimum scheduled rate of that grade*
15 *in the General Schedule in which his position is placed, his*
16 *compensation shall be increased to such minimum rate;*
17 *(2) If the employee is receiving a rate of basic com-*
18 *pensation in the Crafts, Protective, and Custodial Schedule*

1 *which is equal to one of the scheduled or longevity rates of*
2 *that grade in the General Schedule in which his position is*
3 *placed, he shall receive a rate of basic compensation at such*
4 *scheduled or longevity rate;*

5 *(3) If the employee is receiving a rate of basic com-*
6 *pensation in the Crafts, Protective, and Custodial Schedule*
7 *at a rate between two scheduled or two longevity rates, or*
8 *between a scheduled rate and a longevity rate, of that grade*
9 *in the General Schedule in which his position is placed, he*
10 *shall receive a rate of basic compensation at the higher of*
11 *such two rates;*

12 *(4) If the employee is receiving a rate of basic compen-*
13 *sation in the Crafts, Protective, and Custodial Schedule in*
14 *excess of the maximum longevity rate of that grade in the*
15 *General Schedule in which his position is placed, he shall con-*
16 *tinue to receive basic compensation without change in rate*
17 *until (A) he leaves such position, or (B) he is entitled to*
18 *receive basic compensation at a higher rate by reason of the*
19 *operation of the Classification Act of 1949, as amended;*
20 *but when such position becomes vacant the rate of basic*
21 *compensation of any subsequent appointee shall be fixed in*
22 *accordance with such Act, as amended.*

23 *(c) The conversion to grades of the General Schedule*
24 *of positions covered by this section, and the initial adjust-*

1 *ments in compensation as prescribed herein, shall not be*
2 *construed to be transfers or promotions within the meaning*
3 *of section 802 (b) of the Classification Act of 1949, as*
4 *amended, and the regulations issued thereunder.*

5 *ABOLISHMENT OF CRAFTS, PROTECTIVE, AND CUSTODIAL*
6 *SCHEDULE*

7 *SEC. 107. Section 601 of the Classification Act of 1949,*
8 *as amended, is amended to read as follows:*

9 *"SEC. 601. There is hereby established for positions to*
10 *which this Act applies a basic compensation schedule, to be*
11 *known as the 'General Schedule', the symbol for which shall*
12 *be 'GS'."*

13 *SEC. 108. (a) Section 602 of the Classification Act of*
14 *1949, as amended, is amended by striking out "(a)" after*
15 *"SEC. 602.".*

16 *(b) Subsection (b) of such section 602 is hereby re-*
17 *pealed.*

18 *SEC. 109. (a) Subsection (a) of section 603 of the*
19 *Classification Act of 1949, as amended, is amended to read*
20 *as follows:*

21 *"(a) The rates of basic compensation with respect to*
22 *officers, employees, and positions to which this Act applies*

1 *shall be in accordance with the compensation schedule con-*
2 *tained in subsection (b)."*
3 *(b) Subsection (c) of such section 603 is hereby re-*
4 *pealed.*
5 *(c) Subsection (d) of such section 603 is amended to*
6 *read as follows:*
7 *"(c) Whenever payment is made on the basis of a*
8 *daily, hourly, weekly, biweekly, or monthly rate, such rate*
9 *shall be computed from the appropriate annual rate specified*
10 *in subsection (b) by the method prescribed in section 604*
11 *(d) of the Federal Employees Pay Act of 1945, as*
12 *amended."*
13 *Sec. 110. (a) Section 105 of this title shall take effect*
14 *on the date or dates specified by the head of a department, but*
15 *not earlier than the first day of the second pay period which*
16 *begins after the date of enactment of this Act, and not later*
17 *than the first day of the first pay period which begins more*
18 *than twelve months after the date of enactment of this Act,*
19 *with respect to each employee and position in such department*
20 *within the purview of such section 105.*
21 *(b) Sections 107, 108, and 109 of this title shall take*
22 *effect, with respect to employees and positions in a department,*
23 *upon the completion of the actions required by sections 105*
24 *and 106 of this title to be taken with respect to such employees*

1 *and positions, but in no event later than the first day of the*
2 *first pay period which begins more than twelve months after*
3 *the date of enactment of this Act.*

4 *MISCELLANEOUS PROVISIONS*

5 *SEC. 111. Section 604 of the Classification Act of 1949,*
6 *as amended, is amended to read as follows:*

7 *"SEC. 604. Employees receiving basic compensation at*
8 *a rate authorized by law, immediately prior to the effective*
9 *date of this title, in excess of the appropriate new rate of*
10 *the grade as determined under paragraphs (1) to (10),*
11 *inclusive, of section 604 (b) of this Act, as in effect prior*
12 *to the date of enactment of this amended section, may con-*
13 *tinue to receive such rate so long as they remain in the*
14 *same position and grade, but when any such position be-*
15 *comes vacant, the rate of basic compensation of any subse-*
16 *quent appointee shall be fixed in accordance with this Act."*

17 *SEC. 112. Sections 703 (c) and 802 (b) of the Classi-*
18 *fication Act of 1949, as amended, are amended by striking out*
19 *"section 604 (b) (11)" and inserting in lieu thereof "section*
20 *604".*

21 *SEC. 113. The Civil Service Commission is hereby au-*
22 *thorized to issue such regulations as may be necessary for*
23 *the administration of this title.*

24 *SEC. 114. Nothing contained in this title shall be con-*

strued to decrease the existing rate of basic compensation of any present employee, but when his position becomes vacant any subsequent appointee to such position shall be compensated in accordance with the scale of pay applicable to such position.

SEC. 115. The term "department" shall have the same meaning in this title as when used in the Classification Act of 1949, as amended.

TITLE II—AMENDMENTS TO THE FEDERAL EMPLOYEES PAY ACT OF 1945, AS AMENDED

SEC. 201. This title may be cited as the "Federal Employees Pay Act Amendments of 1954".

SEC. 202. (a) Subsection (a) of section 101 of the Federal Employees Pay Act of 1945, as amended, is amended by striking out "titles II and III" and inserting in lieu thereof "titles II, III, and IV".

(b) Subsection (b) of such section 101 is hereby repealed.

COMPENSATION FOR OVERTIME WORK

SEC. 203. Section 201 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"SEC. 201. All hours of work officially ordered or approved in excess of forty hours in any administrative workweek performed by officers and employees to whom this title applies shall be considered to be overtime work and compen-

1 *sation for such overtime work, except as otherwise provided*
2 *for in this Act, shall be at the following rates:*
3 *"(1) For each officer and employee whose basic com-*
4 *pensation is at a rate which does not exceed the maxi-*
5 *mum scheduled rate of basic compensation provided for*
6 *grade GS–9 in the Classification Act of 1949, as*
7 *amended, the overtime hourly rate of compensation shall*
8 *be an amount equal to one and one-half times the hourly*
9 *rate of basic compensation of such officer or employee,*
10 *and all of such amount shall be considered premium*
11 *compensation.*
12 *"(2) For each officer and employee whose basic com-*
13 *pensation is at a rate which exceeds the maximum sched-*
14 *uled rate of basic compensation provided for grade GS–9*
15 *in the Classification Act of 1949, as amended, the over-*
16 *time hourly rate of compensation shall be an amount*
17 *equal to one and one-half times the hourly rate of such*
18 *maximum scheduled rate of basic compensation, or an*
19 *amount equal to the basic hourly rate of compensation of*
20 *such officer or employee, whichever is greater, and all of*
21 *such amount shall be considered premium compensation."*
22 *SEC. 204. Section 202 (a) of the Federal Employees*
23 *Pay Act of 1945, as amended, is amended to read as follows:*
24 *"SEC. 202. (a) The head of any department, inde-*

1 *pendent establishment, or agency, including Government-*
2 *owned or controlled corporations, or of the municipal govern-*
3 *ment of the District of Columbia, or the head of any legis-*
4 *lative or judicial agency to which this title applies, (1) may,*
5 *at the request of any officer or employee, grant such officer*
6 *or employee compensatory time off from his scheduled tour of*
7 *duty in lieu of payment for an equal amount of time spent*
8 *in irregular or occasional overtime work, and (2) may, at*
9 *his own discretion, provide that any officer or employee, whose*
10 *rate of basic compensation is in excess of the maximum sched-*
11 *uled rate of basic compensation provided for grade GS–9*
12 *in the Classification Act of 1949, as amended, shall be com-*
13 *pensated for irregular or occasional overtime work for*
14 *which compensation would be due under this Act with an*
15 *equal amount of compensatory time off from his scheduled*
16 *tour of duty in lieu of such compensation."*

17 *Sec. 205. (a) Section 203 of the Federal Employees*
18 *Pay Act of 1945, as amended, is redesignated as section*
19 *205, and wherever such section number appears in such*
20 *Act or in any other provision of law it is amended to con-*
21 *form to the redesignation prescribed by this subsection.*

22 *(b) The Federal Employees Pay Act of 1945, as*
23 *amended, is amended by inserting after section 202 thereof*
24 *the following new sections:*

1 *"CALL-BACK OVERTIME*

2 *"SEC. 203. For the purposes of this Act, any unsched-*
3 *uled overtime work performed by any officer or employee*
4 *on a day when no work was scheduled for him, or for which*
5 *he is required to return to his place of employment, shall be*
6 *considered to be at least two hours in duration.*

7 *"TIME IN TRAVEL STATUS*

8 *"SEC. 204. For the purposes of this Act, time spent in a*
9 *travel status away from the official-duty station of any officer*
10 *or employee shall be considered as hours of employment only*
11 *when (a) within the days and hours of such officer's or*
12 *employee's regularly scheduled administrative workweek,*
13 *including regularly scheduled overtime hours, or (b) when*
14 *the travel involves the performance of work while traveling*
15 *or is carried out under arduous conditions."*

16 *COMPENSATION FOR NIGHT AND HOLIDAY WORK*

17 *SEC. 206. Section 301 of the Federal Employees Pay*
18 *Act of 1945, as amended, is amended to read as follows:*

19 *"SEC. 301. (a) Any regularly scheduled work between*
20 *the hours of six o'clock postmeridian and six o'clock ante-*
21 *meridian (including periods of absence with pay during*
22 *such hours due to holidays, and any such hours within*
23 *periods of leave with pay if such periods total less than eight*
24 *hours during any pay period) shall be considered night-*

1 *work, except as provided in subsection (b), and any officer*
2 *or employee performing such work to whom this title applies*
3 *shall be compensated for such work at his rate of basic com-*
4 *pensation plus premium compensation amounting to 10 per*
5 *centum of such rate, unless otherwise provided in title IV of*
6 *this Act. This section shall not operate to modify the pro-*
7 *visions of the Act of July 1, 1944 (Public Law Numbered*
8 *394, Seventy-eighth Congress), or any other law authorizing*
9 *additional compensation for nightwork.*

10 *"(b) The head of any department, independent estab-*
11 *lishment, or agency, including Government-owned or con-*
12 *trolled corporations, may designate any time after six o'clock*
13 *postmeridian and any time before six o'clock antemeridian*
14 *as the beginning and end, respectively, of nightwork for the*
15 *purpose of subsection (a) at any post outside the several*
16 *States and the District of Columbia where customary hours*
17 *of business extend into the hours of nightwork provided*
18 *by such subsection."*

19 *SEC. 207. Section 302 of the Federal Employees Pay*
20 *Act of 1945, as amended, is amended to read as follows:*

21 *"SEC. 302. (a) All work not exceeding eight hours,*
22 *which is not overtime work as defined in section 201 of this*
23 *Act and which is performed on a holiday designated by Fed-*
24 *eral statute or Executive order, shall be compensated at the*
25 *rate of basic compensation of the officer or employee per-*

1 *forming such work on a holiday plus premium compensation*
2 *at a rate equal to the rate of basic compensation of such*
3 *officer or employee.*
4 *"(b) Any officer or employee who is required to perform*
5 *any work on such a holiday shall be compensated for at*
6 *least two hours of such work, and any such premium com-*
7 *pensation due under the provisions of this section shall be in*
8 *addition to any premium compensation which may be due*
9 *for the same work under the provisions of section 301 of*
10 *this Act providing premium compensation for nightwork.*
11 *"(c) Overtime work, as defined in section 201 of this*
12 *Act, on Sundays and such holidays shall be compensated in*
13 *accordance with the provisions of such section 201."*
14 *SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK*
15 *SEC. 208. (a) The Federal Employees Pay Act of*
16 *1945, as amended, is amended by inserting after title III*
17 *thereof a new title to read as follows:*
18 *"TITLE IV—SPECIAL PROVISIONS FOR*
19 *CERTAIN TYPES OF WORK*
20 *"SEC. 401. (a) The head of any department, inde-*
21 *pendent establishment, or agency, including Government-*
22 *owned or controlled corporations, or of the municipal govern-*
23 *ment of the District of Columbia may, with the approval of*
24 *the Civil Service Commission, provide that—*

1 *"(1) any officer or employee in a position requiring*
2 *him regularly to remain at, or within the confines of, his*
3 *station during longer than ordinary periods of duty, a*
4 *substantial part of which consists of remaining in a*
5 *standby status rather than performing work, shall receive*
6 *premium compensation for such duty on an annual basis*
7 *in lieu of premium compensation provided by any other*
8 *provisions of this Act. Premium compensation under*
9 *this paragraph shall be determined as an appropriate per-*
10 *centage (not in excess of 25 per centum) of such part of*
11 *the rate of basic compensation for any such position*
12 *as does not exceed the maximum scheduled rate of basic*
13 *compensation provided for grade GS–9 in the Classifica-*
14 *tion Act of 1949, as amended, by taking into considera-*
15 *tion the number of hours of actual work required in such*
16 *position, the number of hours required in a standby*
17 *status at or within the confines of the station, the extent*
18 *to which the duties of such position are made more*
19 *onerous by night or holiday work, or by being extended*
20 *over periods of more than forty hours a week, and any*
21 *other relative factors; or*
22 *"(2) any officer or employee in a position in which*
23 *the hours of duty cannot be controlled administratively,*
24 *and which requires substantial amounts of irregular, un-*

1 *scheduled, overtime duty and duty at night and on holi-*
2 *days with the officer or employee generally being re-*
3 *sponsible for recognizing, without supervision, circum-*
4 *stances which require him to remain on duty, shall re-*
5 *ceive premium compensation for such duty on an annual*
6 *basis in lieu of premium compensation provided by any*
7 *other provisions of this Act, except for regularly sched-*
8 *uled overtime duty. Premium compensation under this*
9 *paragraph shall be determined as an appropriate per-*
10 *centage (not in excess of 15 per centum) of such part of*
11 *the rate of basic compensation for any such position as*
12 *does not exceed the maximum scheduled rate of basic*
13 *compensation provided for grade GS–9 in the Classifi-*
14 *cation Act of 1949, as amended, by taking into consid-*
15 *eration the frequency and duration of night, holiday, and*
16 *unscheduled overtime duty required in such position.*
17 *"(b) This section shall not apply to officers and em-*
18 *ployees in positions the duties of which are to supervise or*
19 *perform work involved in (1) fighting fires, (2) maintaining*
20 *fire-fighting apparatus and equipment, (3) inspecting fire*
21 *protection apparatus and equipment, and (4) inspecting fire*
22 *hazards in public buildings and reservations with a view to*
23 *elimination of such fire hazards. Any such officer or em-*
24 *ployee shall receive premium compensation for such duty on*

1 *the basis to which such officer or employee is entitled under*
2 *any other provisions of this Act.*"

3 *(b) Nothing contained in this section shall be construed*
4 *to decrease the existing aggregate rate of compensation of any*
5 *present employee, but when the position of such employee*
6 *becomes vacant any subsequent appointee thereto shall receive*
7 *premium compensation provided for such position in accord-*
8 *ance with this section.*

9 LIMITATION ON PREMIUM COMPENSATION

10 *SEC. 209. Section 603 of the Federal Employees Pay*
11 *Act of 1945, as amended, and the heading immediately*
12 *preceding such section are amended to read as follows:*

13 "LIMITATION ON PREMIUM COMPENSATION

14 "*SEC. 603. (a) No premium compensation provided by*
15 *this Act shall be paid to any officer or employee whose rate of*
16 *basic compensation equals or exceeds the maximum scheduled*
17 *rate of basic compensation provided for grade GS–15 in the*
18 *Classification Act of 1949, as amended.*

19 "*(b) In the case of any officer or employee whose rate*
20 *of basic compensation is less than the maximum scheduled*
21 *rate of basic compensation provided for grade GS–15 in the*
22 *Classification Act of 1949, as amended, such premium com-*
23 *pensation may be paid only to the extent that such payment*
24 *would not cause his aggregate rate of compensation to exceed*
25 *such maximum scheduled rate with respect to any pay period.*"

1 *WORK SCHEDULES*

2 *SEC. 210. (a) The heading immediately preceding sec-*
3 *tion 604 of the Federal Employees Pay Act of 1945, as*
4 *amended, is amended to read as follows:*

5 *"ESTABLISHMENT OF BASIC WORKWEEK; WORK SCHED-*
6 *ULES; PAY COMPUTATION METHODS"*

7 *(b) Section 604 (a) of the Federal Employees Pay*
8 *Act of 1945, as amended, is amended by inserting "(1)"*
9 *after "(a)" and by adding at the end thereof a new para-*
10 *graph as follows:*

11 *"(2) Except where the head of each such department,*
12 *establishment, or agency and of the municipal government of*
13 *the District of Columbia determines that his organization*
14 *would be seriously handicapped in carrying out its functions*
15 *or that costs would be substantially increased, he shall provide,*
16 *with respect to all officers and employees in his organization,*
17 *(A) that assignments to tours of duty shall be scheduled in*
18 *advance over periods of not less than one week, (B) that*
19 *the basic forty-hour workweek shall be scheduled on five days,*
20 *which shall be Monday through Friday wherever possible,*
21 *and the two days outside the basic workweek shall be con-*
22 *secutive, (C) that the working hours in each day in the basic*
23 *workweek shall be the same, (D) that the basic nonovertime*
24 *workday shall not exceed eight hours, (E) that the occurrence*
25 *of holidays shall not affect the designation of the basic work-*

1 *week, and (F) that breaks in working hours of more than*
2 *one hour shall not be scheduled in any basic workday."*
3 *SEC. 211. This title shall become effective at the begin-*
4 *ning of the first pay period which begins more than sixty days*
5 *after the date of enactment of this Act.*

6 *TITLE III—GOVERNMENT EMPLOYEES'*
7 *INCENTIVE AWARDS*

8 *SEC. 301. This title may be cited as the "Government*
9 *Employees' Incentive Awards Act".*
10 *SEC. 302. The departmental awards program set forth*
11 *in this title shall be carried out under such regulations and*
12 *instructions as may be issued by the United States Civil*
13 *Service Commission which shall annually report the results*
14 *of the program, with related recommendations, to the Presi-*
15 *dent for transmittal to the Congress.*
16 *SEC. 303. As used in this title, the term "department"*
17 *means an executive department or independent agency in the*
18 *executive branch of the Government, including a Govern-*
19 *ment-owned or controlled corporation (but not including*
20 *the Tennessee Valley Authority), and also includes (a)*
21 *the Administrative Office of the United States Courts, (b)*
22 *the Library of Congress, (c) the Botanic Garden, (d) the*
23 *Government Printing Office, (e) the Office of the Architect*
24 *of the Capitol, and (f) the municipal government of the*
25 *District of Columbia.*

1 *Sec. 304. (a) The head of each department is authorized*
2 *to pay cash awards to, and to incur necessary expenses for*
3 *the honorary recognition of, civilian officers and employees*
4 *of the Government who by their suggestions, inventions,*
5 *superior accomplishments, or other personal efforts contribute*
6 *to the efficiency, economy, or other improvement of Govern-*
7 *ment operations or who perform special acts or services in*
8 *the public interest in connection with or related to their*
9 *official employment.*

10 *(b) In instances determined by the President to war-*
11 *rant such action, he is authorized to pay cash awards to, and*
12 *to incur necessary expenses for the honorary recognition of,*
13 *civilian officers and employees of the Government who by*
14 *their suggestions, inventions, superior accomplishments, or*
15 *other personal efforts contribute to the efficiency, economy,*
16 *or other improvement of Government operations, or who*
17 *perform exceptionally meritorious special acts or services in*
18 *the public interest in connection with or related to their*
19 *official employment, and any such Presidential awards may*
20 *be in addition to the departmental awards authorized in*
21 *subsection (a) of this section.*

22 *(c) Awards under this section may be paid notwith-*
23 *standing the death or separation from the service of the offi-*
24 *cer or employee concerned: Provided, That the suggestions,*
25 *inventions, superior accomplishments, other personal efforts,*

1 *or special acts or services in the public interest forming the*
2 *basis for the awards are made or rendered while the officer*
3 *or employee is in the employ of the Government.*
4 *(d) A cash award under this section shall be in addition*
5 *to the regular compensation of the recipient and the accept-*
6 *ance of such cash award shall constitute an agreement that*
7 *the use by the Government of the United States or the munic-*
8 *ipal government of the District of Columbia of any idea,*
9 *method or device for which the award is made shall not form*
10 *the basis of a further claim of any nature upon the Govern-*
11 *ment of the United States or the municipal government of the*
12 *District of Columbia by the employee, his heirs, or assigns.*
13 *(e) Awards to employees and expenses for the honorary*
14 *recognition of employees may be paid from the funds or*
15 *appropriations available to the activity primarily benefiting*
16 *or may be paid from the several funds or appropriations of*
17 *the various activities benefiting as may be determined by*
18 *the President for awards under subsection (b) of this sec-*
19 *tion, and by the head of the department concerned for*
20 *awards under subsection (a) of this section.*
21 *(f) An award under this title shall be given due weight*
22 *in qualifying and selecting employees for promotion.*
23 *Sec. 305. The following laws and parts of laws are*
24 *hereby repealed:*

1 *(a) Sections 702, 1002, and 1003 of the Classification*
2 *Act of 1949 (63 Stat. 954; 5 U. S. C. 1122, 1152, 1153).*
3 *(b) Section 14 of the Act entitled "An Act to author-*
4 *ize certain administrative expenses in the Government*
5 *service, and for other purposes", approved August 2, 1946*
6 *(60 Stat. 809; 5 U. S. C. 116a).*
7 *(c) The Act entitled "An Act authorizing payments of*
8 *rewards to postal employees for inventions", approved*
9 *December 3, 1945 (59 Stat. 591; 39 U. S. C. 813).*
10 *(d) The Act entitled "An Act authorizing the Secre-*
11 *tary of War to pay a cash award for suggestions submitted*
12 *by employees of certain establishments of the Ordnance*
13 *Department for improvement or economy in manufacturing*
14 *process or plant", approved July 17, 1912 (37 Stat. 193;*
15 *50 U. S. C. 58).*
16 *(e) The Act entitled "An Act to provide equitable*
17 *compensation for useful suggestions or inventions by per-*
18 *sonnel of the Department of the Interior", approved June*
19 *26, 1944 (58 Stat. 360; 5 U. S. C. 500).*
20 *(f) Subsections (a) and (b) of section 35 of the Act*
21 *entitled "An Act to enact certain provisions now included*
22 *in the Naval Appropriation Act, 1946, and for other pur-*

1 *poses", approved August 2, 1946 (60 Stat. 857; 5 U. S. C.*
2 *416).*
3 *(g) The joint resolution entitled "Joint Resolution to*
4 *provide cash awards to personnel of the Maritime Commission*
5 *and the War Shipping Administration for useful suggestions*
6 *to improve administration of their activities", approved*
7 *March 13, 1944 (58 Stat. 115; 46 U. S. C. 1111b).*
8 *(h) All other laws or parts of laws inconsistent with this*
9 *Act are hereby repealed to the extent of such inconsistency.*
10 *Sec. 306. This title shall take effect on the ninetieth day*
11 *after the date of its enactment.*
12 *TITLE IV—UNIFORM ALLOWANCES*
13 *Sec. 401. This title may be cited as the "Federal Em-*
14 *ployees Uniform Allowance Act".*
15 *Sec. 402. There is hereby authorized to be appropriated*
16 *annually to each agency of the Government of the United*
17 *States or of the District of Columbia (including Government-*
18 *owned corporations), upon a showing of the necessity or*
19 *desirability thereof, an amount not to exceed $100 multiplied*
20 *by the number of the employees of such agency who are re-*
21 *quired by regulation now existing or by law to wear a pre-*
22 *scribed uniform in the performance of his or her official duties*
23 *and who are not being furnished with such uniform. The head*
24 *of any agency to which any such appropriation is made shall*

1 *pay, out of such appropriation, to each such employee an*
2 *allowance for defraying the expenses of acquisition and*
3 *upkeep of such uniform at such times and in such amounts,*
4 *not to exceed $100 per annum, as may be prescribed by the*
5 *head of such agency in accordance with rules and regulations*
6 *promulgated pursuant to section 404. Where the payment*
7 *of a uniform allowance is authorized under any other provi-*
8 *sion of law or regulation existing on the date of enactment*
9 *of this Act, the head of the agency may in his discretion*
10 *continue the payment of such allowance under such provision*
11 *of law or regulation, but where a uniform allowance is paid*
12 *under any such law or regulation no allowance shall be paid*
13 *under this section.*
14 *SEC. 403. Allowances paid under this title shall not be*
15 *considered as pay, salary, or compensation within the mean-*
16 *ing of the Civil Service Retirement Act of May 29, 1930,*
17 *as amended, or as wages within the meaning of section 209*
18 *of the Social Security Act, as amended, or subchapter A*
19 *or D of chapter 9 of the Internal Revenue Code, as amended.*
20 *SEC. 404. The Director of the Bureau of the Budget is*
21 *authorized and directed to promulgate such rules and regu-*
22 *lations as may be necessary to provide for the uniform*
23 *administration of this title.*

1 *TITLE V—ANNUAL LEAVE*

2 *SEC. 501. Clause (6) of section 2 of the Act of August 3,*
3 *1950, as amended by section 5 of such Act of July 2, 1953,*
4 *is amended to read as follows: "(6) payment for all accu-*
5 *mulated and current accrued annual or vacation leave equal*
6 *to the compensation the decedent would have received had*
7 *he remained in the service until the expiration of the period*
8 *of such annual or vacation leave; except that such lump-sum*
9 *payment shall not include compensation for any period of*
10 *accumulated leave in excess of thirty days, plus current*
11 *accrued leave, or in excess of the number of days of accumu-*
12 *lated leave to which he is entitled on the date of separation*
13 *(excluding accumulated leave earned in the 1954 leave year*
14 *and thereafter), plus current accrued leave, whichever is*
15 *the greater."*

16 *SEC. 502. Section 6 of the Act of July 2, 1953 (Public*
17 *Law 102, Eighty-third Congress), is hereby repealed.*

18 *SEC. 503. Section 501 of this title shall take effect as of*
19 *September 1, 1953.*

20 *TITLE VI—GROUP INSURANCE*

21 *SEC. 601. This Act may be cited as the "Federal Em-*
22 *ployees' Group Life Insurance Act of 1954."*

23 *SEC. 602. (a) Except as provided in (b) of this section,*
24 *each appointive or elective officer or employee (hereinafter*
25 *called employee) in or under the executive, judicial, or legis-*

1 *lative branch of the United States Government, including*
2 *a Government owned or controlled corporation (but not in-*
3 *cluding any corporation under the supervision of the Farm*
4 *Credit Administration of which corporation any member of*
5 *the board of directors is elected or appointed by private in-*
6 *terests), and of the municipal government of the District of*
7 *Columbia shall, at such time and under such conditions of*
8 *eligibility as the Civil Service Commission (hereinafter*
9 *called the Commission) may by regulation prescribe, come*
10 *within the purview of this title. Such regulations may pro-*
11 *vide for the exclusion of employees on the basis of the nature*
12 *and type of employment or conditions pertaining thereto*
13 *such as, but not limited to, short term appointments, seasonal*
14 *or intermittent employment, part-time employment, and*
15 *employment of like nature, and shall be issued only after*
16 *consultation with the head of the department, establishment,*
17 *agency, or other employing authority concerned: Provided,*
18 *That no employee or group of employees shall be excluded*
19 *solely on the basis of the hazardous nature of employment.*
20 *(b) This title shall not apply to noncitizen employees*
21 *whose permanent duty station is located outside a State of*
22 *the United States or the District of Columbia, nor shall it*
23 *apply to commissioned officers and enlisted personnel on ac-*
24 *tive duty in or with the Army, Navy, Air Force, Marine*

1 *Corps, or Coast Guard of the United States, who have*
2 *indemnity coverage under the Servicemen's Indemnity Act*
3 *of 1951 (65 Stat. 33).*

4 *SEC. 603. (a) Each employee to whom this title applies*
5 *shall be eligible to be insured for an amount of group life*
6 *insurance approximating his annual compensation not ex-*
7 *ceeding $20,000 plus an equal amount of group accidental*
8 *death and dismemberment insurance, in accordance with the*
9 *following schedule:*

If annual compensation is—		*The amount of group life insurance shall be—*	*The amount of group accidental death and dismemberment insurance shall be—*
Greater than	*But not greater than*		
0	$1,000	$1,000	$1,000
$1,000	2,000	2,000	2,000
2,000	3,000	3,000	3,000
3,000	4,000	4,000	4,000
4,000	5,000	5,000	5,000
5,000	6,000	6,000	6,000
6,000	7,000	7,000	7,000
7,000	8,000	8,000	8,000
8,000	9,000	9,000	9,000
9,000	10,000	10,000	10,000
10,000	11,000	11,000	11,000
11,000	12,000	12,000	12,000
12,000	13,000	13,000	13,000
13,000	14,000	14,000	14,000
14,000	15,000	15,000	15,000
15,000	16,000	16,000	16,000
16,000	17,000	17,000	17,000
17,000	18,000	18,000	18,000
18,000	19,000	19,000	19,000
19,000	----------	20,000	20,000

10 *(b) Subject to the conditions and limitations of the policy*
11 *or policies purchased by the Commission under this title, as*
12 *may be approved by the Commission, the group accidental*
13 *death and dismemberment insurance shall provide payments*
14 *as follows:*

Loss	*Amount payable*
For loss of life.	*Full amount shown in the schedule in (a) of this section.*
Loss of one hand or of one foot or loss of sight of one eye.	*One-half the amount shown in the schedule in (a) of this section.*
Loss of two or more such members.	*Full amount shown in the schedule in (a) of this section.*

1 *For any one accident the aggregate amount of group acci-*
2 *dental death and dismemberment insurance that may be paid*
3 *shall not exceed the amount shown in the schedule in (a)*
4 *of this section.*

5 *(c) The Commission shall by regulation provide for the*
6 *conversion of other than annual rates of compensation to an*
7 *annual basis, and shall further specify the types of compensa-*
8 *tion to be included in annual compensation.*

9 *(d) Each of such amounts of insurance shall be reduced*
10 *by 2 per centum thereof at the end of each full calendar*
11 *month following the date the employee attains age sixty-five,*
12 *subject to minimum amounts prescribed by the Commission,*
13 *but not less than 25 per centum of the insurance in force*
14 *immediately preceding the first reduction provided herein:*
15 *Provided, That the amounts of insurance in force from time*
16 *to time on an employee who becomes insured under this title*
17 *after having attained the age of sixty-five shall be the same as*
18 *would be in force had he been insured at age sixty-five, and*
19 *shall be based on the lesser of his annual compensation (1)*
20 *at the time be becomes so insured, or (2) at age sixty-five,*

1 *provided he was eligible at that time to be insured under*
2 *this title.*

3 *Sec. 604. Any amount of group life insurance and group*
4 *accidental death insurance in force on any employee at the*
5 *date of his death shall be paid, upon the establishment of a*
6 *valid claim therefor, to the person or persons surviving at the*
7 *date of his death, in the following order of precedence:*

8 *First, to the beneficiary or beneficiaries as the employee*
9 *may have designated by a writing received in the employing*
10 *office prior to death;*

11 *Second, if there be no such beneficiary, to the widow*
12 *or widower of such employee;*

13 *Third, if none of the above, to the child or children*
14 *of such employee and descendants of deceased children by*
15 *representation;*

16 *Fourth, if none of the above, to the parents of such em-*
17 *ployee or the survivor of them;*

18 *Fifth, if none of the above, to the duly appointed execu-*
19 *tor or administrator of the estate of such employee;*

20 *Sixth, if none of the above, to other next of kin of such*
21 *employee entitled under the laws of domicile of such em-*
22 *ployee at the time of his death.*

23 *If any person otherwise entitled to payment under this*
24 *section does not make claim therefor within one year after*

1 *the death of the employee, or if payment to such person*
2 *within that period is prohibited by Federal statute or regula-*
3 *tion, payment may be made in the order of precedence as*
4 *if such person had predeceased the employee, and any such*
5 *payment shall be a bar to recovery by any other person.*

6 *SEC. 605. (a) During any period in which an employee*
7 *under age sixty-five is insured under a policy of insurance*
8 *purchased by the Commission as authorized in section 607 of*
9 *this title, there shall be withheld from each salary payment*
10 *of such employee, as his share of the cost of his group life and*
11 *accidental death and dismemberment insurance, an amount*
12 *determined by the Commission, but not to exceed the rate of*
13 *25 cents biweekly for each $1,000 of his group life insurance:*
14 *Provided, That an employee who is paid on other than a*
15 *biweekly basis shall have an amount so withheld, determined*
16 *at a proportionate rate, which rate shall be adjusted to the*
17 *nearest cent.*

18 *Any policy of insurance purchased by the Commission as*
19 *authorized in section 607 of this title shall provide that all em-*
20 *ployees eligible under the terms of this title will be auto-*
21 *matically insured thereunder commencing on the date they*
22 *first become so eligible: Provided, That any employee de-*
23 *siring not to be so insured shall, on an appropriate form to*
24 *be prescribed by the Commission, give written notice to his*

1 *employing office that he desires not to be insured. If such*
2 *notice is received before the employee shall have become in-*
3 *sured under such policy, he shall not be so insured; if it is*
4 *received after he shall have become insured, his insurance*
5 *under the policy will cease effective with the end of the pay*
6 *period during which the notice is received by the employing*
7 *office.*

8 *(b) For each period in which an employee is insured*
9 *under a policy of insurance purchased by the Commission as*
10 *authorized in section 607 of this title, there shall be contributed*
11 *from the respective appropriation or fund which is used for*
12 *payment of his salary, wage, or other compensation (or, in*
13 *the case of an elected official, from such appropriation or fund*
14 *as may be available for payment of other salaries of the same*
15 *office or establishment) a sum computed at a rate determined*
16 *by the Commission, but not to exceed one-half the amount*
17 *withheld from the employee under this section.*

18 *(c) The sums withheld from employees under sub-*
19 *section (a) and the sums contributed from appropriations*
20 *and funds under subsection (b) shall be deposited in the*
21 *Treasury of the United States to the credit of a fund which*
22 *is hereby created. Said fund is hereby made available with-*
23 *out fiscal year limitation for premium payments under any*
24 *insurance policy or policies purchased as authorized in sections*

1 *607 and 610 of this title, and for any expenses incurred by the*
2 *Commission in the administration of this title within such*
3 *limitations as may be specified annually in appropriation acts:*
4 *Provided, That appropriations available to the Commission*
5 *for salaries and expenses for the fiscal year 1955 shall be*
6 *available on a reimbursable basis for necessary administrative*
7 *expenses of carrying out the purposes of this title until said*
8 *fund shall be sufficient to provide therefor. The income*
9 *derived from any dividends or premium rate adjustments*
10 *received from insurers shall constitute a part of said fund.*
11 *Sec. 606. Each policy purchased under this title shall*
12 *contain a provision, in terms approved by the Commission,*
13 *to the effect that any insurance thereunder on any employee*
14 *shall cease upon his separation from the service or twelve*
15 *months after discontinuance of his salary payments, which-*
16 *ever first occurs, subject to a provision which shall be con-*
17 *tained in the policy for temporary extension of coverage and*
18 *for conversion to an individual policy of life insurance under*
19 *conditions approved by the Commission, except that if upon*
20 *such date as the insurance would otherwise cease the em-*
21 *ployee (a) retires on an immediate annuity, and (b) unless*
22 *retired for disability, has had fifteen years of creditable*
23 *civilian service, as determined by the Commission, his life*
24 *insurance only may, under conditions determined by the*

1 *Commission, be continued without cost to him in the amounts*
2 *for which he would have been insured from time to time had*
3 *his salary payments continued at the same rate as on the*
4 *date of cessation.*

5 *SEC. 607. (a) The Commission is authorized, without re-*
6 *gard to section 3709 of the Revised Statutes as amended, to*
7 *purchase from one or more life insurance companies, as deter-*
8 *mined by it, a policy or policies of group life and accidental*
9 *death and dismemberment insurance to provide the benefits*
10 *specified in this title: Provided, That any such company must*
11 *meet the following requirements : (1) Be licensed under the*
12 *laws of forty-eight of the States of the United States and the*
13 *District of Columbia to transact life and accidental death and*
14 *dismemberment insurance, and (2) the amount of its em-*
15 *ployee group life insurance on the most recent December 31*
16 *for which information is available to the Commission shall on*
17 *that date equal at least 1 per centum of the total amount of*
18 *employee group life insurance in the United States in all life*
19 *insurance companies.*

20 *(b) The life insurance company or companies issuing*
21 *such policy or policies shall establish an administrative office*
22 *under a name to be approved by the Commission.*

23 *(c) The Commission shall arrange with the life insur-*
24 *ance company or companies issuing any policy or policies*

1 *purchased under this title to reinsure, under conditions ap-*
2 *proved by it, portions of the total amount of insurance under*
3 *the policy or policies, determined as provided in subsection*
4 *(d) of this section, with such other life insurance companies*
5 *as may elect to participate in such reinsurance.*
6 *(d) The commission shall determine a formula so that*
7 *the amount of insurance in force to be retained by each issuing*
8 *company after ceding reinsurance and the total amount of*
9 *reinsurance ceded to each reinsuring company shall be in*
10 *proportion to the total amount of each such company's group*
11 *life insurance in force in the United States on December 31,*
12 *1953: Provided, That in determining such proportions, that*
13 *portion of any company's group life insurance in force on*
14 *December 31, 1953, which is in excess of $100,000,000 shall*
15 *be reduced by 25 per centum of the first $100,000,000 of*
16 *such excess, 50 per centum of the second $100,000,000 of*
17 *such excess, 75 per centum of the third $100,000,000 of*
18 *such excess, and 95 per centum of any excess thereafter:*
19 *Provided further, That the amount retained by or ceded to*
20 *any company shall not exceed 25 per centum of the amount*
21 *of that company's total life insurance in force in the United*
22 *States on December 31, 1953: Provided further, That if,*
23 *at the end of one year following the date of enactment of*
24 *this Act, in the case of any issuing company or reinsurer*

1 *which insured employees of the Federal Government on De-*
2 *cember 31, 1953, under policies issued to an association of*
3 *Federal employees, the amount which results from the ap-*
4 *plication of this formula is less than the decrease, if any,*
5 *in the amount of such company's insurance under such poli-*
6 *cies, the amount allocated to such company shall, upon the*
7 *first reallocation as provided in subsection (e) of this sec-*
8 *tion, be increased to the amount of such decrease: And pro-*
9 *vided further, That any fraternal benefit association which*
10 *is licensed under the laws of a State of the United States*
11 *or the District of Columbia to transact life insurance and is*
12 *engaged in issuing insurance certificates on the lives of*
13 *employees of the Federal Government exclusively shall be*
14 *eligible to act as a reinsuring company and may be allocated*
15 *an amount of reinsurance equal to 25 per centum of its*
16 *total life insurance in force on employees of the Federal*
17 *Government on December 31, 1953.*
18 *(e) The companies eligible to participate as rein-*
19 *surers, and the amount of insurance under the policy or*
20 *policies to be allocated to each issuing company or reinsurer*
21 *may be redetermined by the Commission for and in advance*
22 *of any policy year after the first, on a basis consistent with*
23 *subsections (c) and (d) of this section, with any modifica-*
24 *tions thereof it deems appropriate to carry out the intent*
25 *of such subsections, and based on each participating com-*

1 *pany's group life insurance in force, excluding that under*
2 *any policy or policies purchased under this title except in the*
3 *case of companies covered in the third proviso of subsection*
4 *(d), in the United States on the most recent December 31*
5 *for which information is available to it, and shall be so*
6 *redetermined in a similar manner not less often than every*
7 *three years or at any time that any participating company*
8 *withdraws from participation.*

9 *(f) The Commission may at any time discontinue any*
10 *policy or policies it has purchased from any insurance*
11 *company.*

12 *Sec. 608. (a) Each policy or policies purchased under*
13 *this title shall include, for the first policy year, basic tables*
14 *of premium rates as follows:*

15 *(1) For group life insurance, a schedule of basic pre-*
16 *mium rates by age which the Commission shall have de-*
17 *termined on a basis consistent with the lowest schedule of*
18 *basic premium rates generally charged for new group life*
19 *insurance policies issued to large employers, this schedule of*
20 *basic premium rates by age to be applied, except as other-*
21 *wise provided in this section, to the distribution by age of*
22 *the amounts of group life insurance under the policy at its*
23 *date of issue to determine an average basic premium rate*
24 *per $1,000 of life insurance, and*

25 *(2) For group accidental death and dismemberment*

1 *insurance, a basic premium rate which the Commission shall*
2 *have determined on a basis consistent with the lowest rate*
3 *generally charged for new group accidental death and dis-*
4 *memberment insurance policies issued to large employers.*
5 *Each policy so purchased shall also include provisions*
6 *whereby the basic rates of premium determined for the first*
7 *policy year shall be continued for subsequent policy years,*
8 *except that they may be readjusted for any subsequent year,*
9 *based on the experience under the policy, such readjustment*
10 *to be made by the insurance company or companies issuing*
11 *the policy on a basis determined by the Commission in ad-*
12 *vance of such year to be consistent with the general prac-*
13 *tice of life insurance companies under policies of group life*
14 *and group accidental death and dismemberment insurance*
15 *issued to large employers.*
16 *(b) Each policy so purchased shall include a provision*
17 *that, in the event the Commission determines that ascertain-*
18 *ing the actual age distribution of the amounts of group life*
19 *insurance in force at the date of issue of the policy or at*
20 *the end of the first or any subsequent year of insurance*
21 *thereunder would not be possible except at a disproportion-*
22 *ately high expense, it may approve the determination of a*
23 *tentative average group life premium rate, for the first or*
24 *any subsequent policy year, in lieu of using the actual age*
25 *distribution. Such tentative average premium rate shall be*

1 *redetermined by the Commission during any policy year*
2 *upon request by the insurance company or companies issuing*
3 *the policy, if experience indicates that the assumptions made*
4 *in determining the tentative average premium rate for that*
5 *policy year were incorrect.*

6 *(c) Each policy so purchased shall contain a provision*
7 *stipulating the maximum expense and risk charges for the*
8 *first policy year, which charges shall have been determined*
9 *by the Commission on a basis consistent with the general*
10 *level of such charges made by life insurance companies under*
11 *policies of group life and accidental death and dismember-*
12 *ment insurance issued to large employers. Such maximum*
13 *charges shall be continued from year to year, except that*
14 *the Commission may redetermine such maximum charges*
15 *for any year either by agreement with the insurance com-*
16 *pany or companies issuing the policy or upon written notice*
17 *given by it to such companies at least one year in advance of*
18 *the beginning of the year for which such redetermined maxi-*
19 *mum charges will be effective.*

20 *(d) Each such policy shall provide for an accounting*
21 *to the Commission not later than ninety days after the end*
22 *of each policy year, which shall set forth, in a form approved*
23 *by the Commission, (1) the amounts of premiums actually*
24 *accrued under the policy from its date of issue to the end of*
25 *such policy year, (2) the total of all mortality and other*

1 *claim charges incurred for that period, and (3) the amounts*
2 *of the insurers' expense and risk charges for that period.*
3 *Any excess of the total of item (1) over the sum of items*
4 *(2) and (3) shall be held by the insurance company or*
5 *companies issuing the policy as a special contingency reserve*
6 *to be used by such insurance company or companies for*
7 *charges under such policy only, such reserve to bear interest*
8 *at a rate to be determined in advance of each policy year by*
9 *the insurance company or companies issuing the policy,*
10 *which rate shall be approved by the Commission as being*
11 *consistent with the rates generally used by such company or*
12 *companies for similar funds held under other group life in-*
13 *surance policies: Provided, That if and when the Commis-*
14 *sion determines that such special contingency reserve has*
15 *attained an amount estimated by it to make satisfactory pro-*
16 *vision for adverse fluctuations in future charges under the*
17 *policy, any further such excess shall be deposited in the*
18 *Treasury of the United States to the credit of the fund. If*
19 *and when such policy is discontinued, and if after all charges*
20 *have been made, there is any positive balance remaining*
21 *in such special contingency reserve, such balance shall be*
22 *deposited in the Treasury of the United States to the credit*
23 *of the fund, subject to the right of the insurance company*
24 *or companies issuing the policy to make such deposit in*

1 *equal monthly installments over a period of not more than*
2 *two years.*

3 *Sec. 609. The Commission shall arrange to have each*
4 *employee insured under such policy receive a certifi-*
5 *cate setting forth the benefits to which the employee is entitled*
6 *thereunder, to whom such benefits shall be payable, to whom*
7 *claims should be submitted, and summarizing the provisions*
8 *of the policy principally affecting the employee. Such cer-*
9 *tificate shall be in lieu of the certificate which the insurance*
10 *company or companies would otherwise be required to issue.*

11 *Sec. 610. (a) The Commission is authorized to arrange*
12 *with any nonprofit association of Federal employees for*
13 *the assumption by the fund of any existing life insurance*
14 *agreements of such association with its members retired or*
15 *otherwise separated from the Federal service and to insure*
16 *the obligations assumed with any company or companies*
17 *meeting the requirements of section 607 (a).*

18 *(b) Any such arrangement shall provide that payments*
19 *by such insured members for life insurance only shall there-*
20 *after be made at the same rates to the fund, under such con-*
21 *ditions as the Commission may prescribe.*

22 *(c) Any such arrangement shall further provide that*
23 *there be transferred to and deposited in the fund the lesser of*
24 *the following amounts:*

1 *(1) The total assets of the life insurance fund of*
2 *such association; or*
3 *(2) The amount required to meet the liabilities*
4 *under life insurance agreements assumed, taking into ac-*
5 *count the payments as provided in paragraph (b). The*
6 *determination of this amount shall be based on an ac-*
7 *tuarial valuation satisfactory to the Commission, pro-*
8 *cured by the association without expense to the*
9 *Commission.*
10 *(d) The arrangements authorized by this section shall be*
11 *made only with those associations which terminate life insur-*
12 *ance agreements with all of their members within one year*
13 *after the date of enactment of this Act, and such arrange-*
14 *ments shall apply only to life insurance granted to any mem-*
15 *ber by any such association before January 1, 1954.*
16 *(e) In any case in which the fund assumes a lia-*
17 *bility for life insurance as provided in this section in*
18 *respect to a person who (1) subsequently becomes eli-*
19 *gible to be insured as an employee under this title, and*
20 *(2) does not give notice, as provided in section 605 (a),*
21 *of his desire not to be so insured, the life insurance pro-*
22 *vided under this section shall terminate as of the date*
23 *such person becomes insured as an employee.*
24 *Sec. 611. Except as otherwise provided herein, the Com-*

1 *mission is hereby authorized to promulgate such regulations*
2 *as may be necessary and proper to give effect to the intent,*
3 *purposes, and provisions of this title.*

4 *SEC. 612. (a) There is hereby established an Advisory*
5 *Council on Group Insurance consisting of the Secretary of the*
6 *Treasury as Chairman, the Secretary of Labor, and the Direc-*
7 *tor of the Bureau of the Budget, who shall serve without*
8 *additional compensation. The Council shall meet once a*
9 *year, or oftener at the call of the Commission, and shall re-*
10 *view the operations of this title and advise the Commission*
11 *on matters of policy relating to its activities thereunder.*

12 *(b) The Chairman of the Commission shall appoint a*
13 *committee composed of five employees insured under this title,*
14 *who shall serve without compensation, to advise the Commis-*
15 *sion regarding matters of concern to employees under this*
16 *title.*

17 *SEC. 613. The Commission shall report annually to Con-*
18 *gress upon the operation of this title.*

19 *SEC. 614. The district courts of the United States shall*
20 *have original jurisdiction, concurrent with the Court of*
21 *Claims, of any civil action or claim against the United States*
22 *founded upon this title.*

23 *SEC. 615. The insurance provided by this title and the*

1 *withholdings and contributions for that purpose shall become*
2 *effective when directed by the Commission.*

3 *TITLE VII—MISCELLANEOUS PROVISIONS*

4 *SEC. 701. (a) Section 2 (b) of the Performance*
5 *Rating Act of 1950 (5 U. S. C., sec. 2001) is amended by*
6 *striking out the period at the end thereof and inserting in*
7 *lieu thereof a semicolon and the following:*

8 *"(12) The Central Intelligence Agency."*

9 *(b) Section 9 of the Central Intelligence Agency Act of*
10 *1949, as amended (50 U. S. C., sec. 403i), is hereby*
11 *repealed.*

12 *SEC. 702. Section 1310 of the Supplemental Appro-*
13 *priation Act, 1952 (Public Law 253, Eighty-second*
14 *Congress), as amended, is hereby repealed.*

Amend the title so as to read: "An Act to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes."

Passed the House of Representatives May 3, 1954.

Attest: LYLE O. SNADER,
Clerk.

Calendar No. 2011

83D CONGRESS
2D SESSION

H. R. 2263

[Report No. 1992]

AN ACT

To authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service.

MAY 4 (legislative day, APRIL 14), 1954
Read twice and referred to the Committee on Post Office and Civil Service

JULY 28 (legislative day, JULY 2), 1954
Reported with amendments

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued August 12, 1954
For actions of August 11, 1954
83rd-2nd, No. 155

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HIGHLIGHTS: Senate committees reported bills to increase CCC borrowing power and control wetback immigration.

HOUSE

1. FARM PROGRAM. Reps. Hope, Andresen, Hill, Cooley, and Poage were appointed House conferees on H. R. 9680, the farm program bill (p. 13485). Senate conferees were appointed Aug. 10.

2. CCC CLAIMS. The Agriculture Committee reported with amendment H. R. 6878, to amend the CCC Charter Act in order to relieve innocent purchasers of fungible goods converted by warehousemen from CCC claims (H. Rept. 2655) (p. 13491).

3. PERSONNEL. The Post Office and Civil Service Committee reported without amendment H. R. 1553, to amend the Civil Service Retirement Act so as to provide for inclusion in the computation of accredited service of certain service rendered States in connection with Federal-State extension, experiment station, forest and watershed protection, plant-pest and animal-disease control, and vocational education programs, and the rural-relief program carried out by the State Rural Rehabilitation Corporations (H. Rept. 2656) (p. 13491).

SENATE

4. PERSONNEL. Passed with amendments H. R. 2263, to amend the Classification Act and the Federal Employees Pay Act of 1945 (pp. 13337-43). Agreed to an amendment by Sen. Carlson to strike out the sections providing for life insurance for Federal employees, because of passage of these provisions as a separate

bill (p. 13343). The bill, as passed, is substantially the same as S. 2665, the Carlson fringe-benefits bill, and contains the following major provisions:

Increases the number of positions in grades GS-16, GS-17, and GS-18 authorized under the Classification Act of 1949 from the present 400 to 550, designating that there shall not be more than 400 positions in grade 16 of the general schedule, not more than 115 positions in grade 17, and not more than 35 positions in grade 18.

Provides longevity salary step increases for employees in grades 11 through 15. These longevity steps are in the same amount as the present within-grade promotion steps except that for GS-15, which has within-grade promotion steps of $250 each, each longevity step increase will be $200. No employee in grades GS-11 through GS-15 may count past service for more than one longevity step increase under this bill.

Authorizes the Commission to use one of the within-grade salary steps as the minimum rate for any class of Classification Act jobs in an area whenever it is found a sufficient number of qualified eligibles cannot be secured at the existing minimum rate of grade and that such increase will secure sufficient eligibles.

Abolishes the crafts, protective, and custodial schedule of the Classification Act of 1949, as amended, and provides that such employees under this schedule be transferred to a local prevailing-wage rate system, or the general schedule of the Classification Act.

Modernizes and simplifies the overtime and premium compensation laws relating to Federal employees, including overtime compensation at 1½ times the regular rate of basic compensation not in excess of the top salary grade for GS-9 or the regular straight-time rate, whichever is greater; night differential at the rate of 10 percent of the regular rate of basic compensation; holiday pay (not overtime) at a rate equal to the regular pay in addition to such regular pay; standby time at appropriate rates determined by department heads with the approval of the Civil Service Commission (except for fire fighters) not in excess of 25 percent of the regular rate of basic compensation for GS-9; and extra pay at rates up to 15 percent of base pay for GS-9 for employees (such as criminal investigators and certain others) whose hours of duty cannot be controlled administratively and who must perform substantial quantities of irregular, overtime, or night duty. Fire fighters would receive the premium compensation benefits, but are not restricted by the 25-percent minimum. No premium pay would apply to raise the compensation of an individual to more than the maximum scheduled rate of GS-15.

Establishes a uniform and progressive Government employees incentive awards program which consolidates and codifies existing laws and places the responsibility and direction of such program under the Civil Service Commission.

Authorizes annual appropriations to provide a uniform allowance of a maximum of $100 annually for employees required to wear uniforms.

Provides for the lump-sum payment of current accrued annual or vacation leave to the survivors of a deceased employee even if it exceeds 30 days.

Repeals present law which restricts the number of permanent appointments, promotions, and transfers in the Federal service.

Repeals section 6 of the act of July 2, 1953, which directed department heads to take action for the reduction of accumulated annual leave credited to officers and employees which was in excess of amounts allowable under the applicable provisions of section 203 of the Annual and Sick Leave Act of 1951, as amended.

which begins after the date of enactment of this act;

(3) Sections 203 and 209 shall take effect on the first day of the first calendar month following the calendar month in which this act is enacted; and

(4) Section 207 shall take effect upon such date, not later than 90 days after the date of enactment of this act, as may be designated by the Postmaster General.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. HENDRICKSON. Mr. President, to the committee amendment I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from New Jersey to the committee amendment.

The LEGISLATIVE CLERK. On page 15, line 3, it is proposed to insert "(a)", immediately following "Section 109."; and on page 15, between lines 5 and 6, to insert the following:

(b) The proviso in the paragraph designated "Inquiries and investigations" under the heading "Contingent Expenses of the Senate" in the Legislative Appropriation Act, 1955, is amended by striking out "$9" and inserting in lieu thereof "$12."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey to the committee amendment.

The amendment to the amendment was agreed to.

Mr. CARLSON. Mr. President, to the committee amendment I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Kansas.

The LEGISLATIVE CLERK. In the committee amendment on page 13, before the period in line 13, it is proposed to insert a comma and the following: "and the provisions of section 2 (a) of the Federal Employees' Group Life Insurance Act of 1954."

Mr. CARLSON. Mr. President, I offer this amendment to take care of the Official Reporters of Debates of the Senate. I think all of us are agreed they have rendered outstanding service. They have been left out of the Federal insurance bill, and the amendment would include them in this particular bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

Mr. JOHNSTON of South Carolina. Mr. President, I think we ought to know what we are passing. This is the pay increase bill for postal and other Federal employees. I should like to call to the attention of the Senate the fact that the Democrats of the committee proposed a 10 percent and a 7 percent increase, and that both were defeated because of unanimous objection by the Republicans on the committee. What is proposed here is a compromise 5 percent agreement. There is sufficient reason to pass this bill on the call of the calendar. Time is short and hasty action is mandatory. However, if I had known this bill would pass on the calendar call, I would have been prepared to offer some amendments to increase certain provisions. I hope this bill passes because pay increases are urgently needed by Government employees.

Mr. GORE. Reserving the right to object, the junior Senator from Tennessee understood that there was to be an amendment to this bill.

The PRESIDING OFFICER. The Senator from New Jersey [Mr. HENDRICKSON] and the Senator from Kansas [Mr. CARLSON] offered amendments which have been read, and acted upon by the Senate.

Mr. HENDRICKSON. Mr. President, before the bill is passed, I should like to say that the amendment offered by the Senator from New Jersey was on behalf of the distinguished Senator from North Dakota, who is absent today because of illness in his family.

The PRESIDING OFFICER. The question is on the engrossment of the amendment, and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to increase the rates of compensation of classified, postal, and other employees of the Government, and for other purposes."

Mr. KNOWLAND subsequently said: Mr. President, I ask unanimous consent that the vote whereby calendar 2010, H. R. 7774 was passed be reconsidered, and that the bill go to the foot of the calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the bill (H. R. 7774) will go to the foot of the calendar.

READJUSTMENT OF COMPENSATION OF HOLDERS OF CONTRACTS OF MAIL-MESSENGER SERVICE

The Senate proceeded to consider the bill (H. R. 2263) to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service, which had been reported from the Committee on Post Office and Civil Service with an amendment to strike out all after the enacting clause and insert:

TITLE I—AMENDMENTS TO CLASSIFICATION ACT OF 1949

Number of positions in grades 16, 17, and 18 of the General Schedule

SEC. 101. (a) Section 505 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 505. (a) No position shall be placed in grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission.

"(b) No position shall be placed in or removed from grade 18 of the General Schedule except by the President upon recommendation of the Commission.

"(c) At any one time there shall not be more than 400 positions in grade 16 of the General Schedule, not more than 115 positions in grade 17 of the General Schedule, and not more than 35 positions in grade 18 of the General Schedule.

"(d) Positions that may be established under the proviso of section 203 (b) (1) of the act of August 2, 1946 (60 Stat. 836), may be in addition to those authorized by the foregoing provisions of this section."

(b) The amendment made by subsection (a) shall not affect positions allocated to grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended, pursuant to provisions of law (other than the Classification Act of 1949, as amended) and reorganization plans in effect prior to the effective date of this section.

Longevity step-increases

SEC. 102. (a) (1) Subsection (a) of section 703 of the Classification Act of 1949, as amended, is amended by striking out the words "change of grade or rate of basic compensation except such change as may be prescribed by any provision of law of general application" and inserting in lieu thereof the words "increase in grade or rate of basic compensation except such increase as may be prescribed by any provision of law of general application."

(2) Subsection (b) (1) of section 703 of the Classification Act of 1949, as amended, is amended to read as follows:

"(b) (1) No officer or employee shall be entitled to a longevity step-increase while holding a position in any grade above grade 15 of the General Schedule."

(b) The amendments made by subsection (a) shall become effective at the beginning of the first pay period following the date of enactment of this act.

SEC. 103. (a) Section 704 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 704. In the case of officers and employees in grades 11 to 15, inclusive, of the General Schedule who are receiving compensation at or above the maximum scheduled rates for their respective grades on the date immediately preceding the effective date of this amendatory section, not to exceed 3 years of service performed immediately preceding such effective date shall be counted toward longevity step increases under section 703. Notwithstanding subsection (b) (4) of section 703, longevity step increases for grade 15 of the General Schedule shall be $200."

(b) The amendment made by subsection (a) shall become effective at the beginning of the first pay period following the date of enactment of this act.

Recruitment above the minimum rate of the class

SEC. 104. Section 803 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 803. (a) Whenever the Commission shall find (1) that a sufficient number of qualified eligibles for positions in a given class cannot be secured in one or more areas or locations at the existing minimum rate for such class, and (2) that there is a possibility that a sufficient number of such eligibles can be secured by increasing the minimum rate for such class in such areas or locations to one of the higher rates within the grade in which such class is placed, the Commission may establish such higher rate as the minimum rate for that class in each area or location concerned.

"(b) Minimum rates established under subsection (a) may be revised from time to time by the Commission. Such actions or

revisions shall have the force and effect of law.

"(c) Any increase in rate of basic compensation resulting from the establishment of minimum rates under this section shall not be regarded as an 'equivalent increase' in compensation within the meaning of section 701 (a)."

Exclusion from Classification Act of 1949 of crafts, trades, and labor positions and application of prevailing wage policy to such positions

SEC. 105. (a) Paragraph (7) of section 202 of the Classification Act of 1949, as amended, is amended to read as follows:

"(7) employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor occupations, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and knowledge as the paramount requirement, and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experence, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine operations: *Provided*, That the compensation of such employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates: *Provided further*, That whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees shall be subject to the provisions of the Classification Act of 1949, as amended, which are applicable to positions of equivalent difficulty or responsibility."

(b) Section 204 (c) is amended to read as follows:

"(c) Section 202 (except paragraph (7) thereof) and section 203 shall not apply to the Office of the Architect of the Capitol."

Transfer of certain positions from the Crafts, Protective, and Custodial Schedule to the General Schedule

Sec. 106. (a) Not earlier than the first day of the second pay period which begins after the date of enactment of this act, and not later than the first day of the first pay period which begins more than 6 months after the date of enactment of this act, all positions in the Crafts, Protective, and Custodial Schedule of the Classification Act of 1949, as amended, not included from such act by section 202 (7) thereof, as amended by section 105 of this title, shall be placed in corresponding grades of the General Schedule as set forth below:

Grade of the Crafts, Protective, and Custodial Schedule	Corresponding new grade of the General Schedule
1	1
2	1
3	1
4	2
5	3
6	4
7	5
8	6
9	7
10	8

(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows:

(1) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule which is less than the minimum scheduled rate of that grade in the General Schedule in which his position is placed, his compensation shall be increased to such minimum rate;

(2) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule which is equal to one of the scheduled or longevity rates of that grade in the General Schedule in which his position is placed, he shall receive a rate of basic compensation at such scheduled or longevity rate;

(3) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule at a rate between 2 scheduled or 2 longevity rates, or between a scheduled rate and a longevity rate, of that grade in the General Schedule in which his position is placed, he shall receive a rate of basic compensation at the higher of such 2 rates.

(4) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule in excess of the maximum longevity rate of that grade in the General Schedule in which his position is placed, he shall continue to receive basic compensation without change in rate until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant the rate of basic compensation of any subsequent appointee shall be fixed in accordance with such act, as amended.

(c) The conversion to grades of the General Schedule of positions covered by this section, and the initial adjustments in compensation as prescribed herein, shall not be construed to be transfers or promotions within the meaning of section 802 (b) of the Classification Act of 1949, as amended, and the regulations issued thereunder.

Abolishment of Crafts, Protective, and Custodial Schedule

SEC. 107. Section 601 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 601. There is hereby established for positions to which this act applies a basic compensation schedule, to be known as the 'General Schedule,' the symbol for which shall be 'GS'."

SEC. 108. (a) Section 602 of the Classification Act of 1949, as amended, is amended by striking out "(a)" after "SEC. 602."

(b) Subsection (b) of such section 602 is hereby repealed.

SEC. 109. (a) Subsection (a) of section 603 of the Classification Act of 1949, as amended, is amended to read as follows:

"(a) The rates of basic compensation with respect to officers, employees, and positions to which this act applies shall be in accordance with the compensation schedule contained in subsection (b)."

(b) Subsection (c) of such section 603 is hereby repealed.

(c) Subsection (d) of such section 603 is amended to read as follows:

"(c) Whenever payment is made on the basis of a daily, hourly, weekly, biweekly, or monthly rate, such rate shall be computed from the appropriate annual rate specified in subsection (b) by the method prescribed in section 604 (d) of the Federal Employees Pay Act of 1945, as amended."

SEC. 110. (a) Section 105 of this title shall take effect on the date or dates specified by the head of a department, but not earlier than the first day of the second pay period which begins after the date of enactment of this act, and not later than the first day of the first pay period which begins more than 12 months after the date of enactment of this act, with respect to each employee and position in such department within the purview of such section 105.

(b) Sections 107, 108, and 109 of this title shall take effect, with respect to employees and positions in a department, upon the completion of the actions required by sections 105 and 106 of this title to be taken with respect to such employees and positions, but in no event later than the first day of the first pay period which begins more than 12 months after the date of enactment of this act.

Miscellaneous provisions

SEC. 111. Section 604 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 604. Employees receiving basic compensation at a rate authorized by law, immediately prior to the effective date of this title, in excess of the appropriate new rate of the grade as determined under paragraphs (1) to (10), inclusive, of section 604 (b) of this act, as in effect prior to the date of enactment of this amended section, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this act."

SEC. 112. Sections 703 (c) and 802 (b) of the Classification Act of 1949, as amended, are amended by striking out "section 604 (b) (11)" and inserting in lieu thereof "section 604."

SEC. 113. The Civil Service Commission is hereby authorized to issue such regulations as may be necessary for the administration of this title.

SEC. 114. Nothing contained in this title shall be construed to decrease the existing rate of basic compensation of any present employee, but when his position becomes vacant any subsequent appointee to such position shall be compensated in accordance with the scale of pay applicable to such position.

SEC. 115. The term "department" shall have the same meaning in this title as when used in the Classification Act of 1949, as amended.

TITLE II—AMENDMENTS TO THE FEDERAL EMPLOYEES PAY ACT OF 1945, AS AMENDED

SEC. 201. This title may be cited as the "Federal Employees Pay Act Amendments of 1954."

SEC. 202. (a) Subsection (a) of section 101 of the Federal Employees Pay Act of 1945, as amended, is amended by striking out "titles II and III" and inserting in lieu thereof "titles II, III, and IV."

(b) Subsection (b) of such section 101 is hereby repealed.

Compensation for overtime work

SEC. 203. Section 201 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"SEC. 201. All hours of work officially ordered or approved in excess of 40 hours in any administrative workweek performed by officers and employees to whom this title applies shall be considered to be overtime work and compensation for such overtime work, except as otherwise provided for in this act, shall be at the following rates:

"(1) For each officer and employee whose basic compensation is at a rate which does not exceed the maximum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to 1½ times the hourly rate of basic compensation of such officer or employee, and all of such amount shall be considered premium compensation.

"(2) For each officer and employee whose basic compensation is at a rate which exceeds the maximum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to 1½ times the hourly rate of such maximum scheduled rate of basic compensation, or an amount equal to the basic hourly rate of compensation of such officer or employee, whichever is greater, and

all of such amount shall be considered premium compensation."

SEC. 204. Section 202 (a) of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"SEC. 202. (a) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, or of the municipal government of the District of Columbia, or the head of any legislative or judicial agency to which this title applies, (1) may, at the request of any officer or employee, grant such officer or employee compensatory time off from his scheduled tour of duty in lieu of payment for an equal amount of time spent in irregular or occasional overtime work, and (2) may, at his own discretion, provide that any officer or employee, whose rate of basic compensation is in excess of the maximum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, shall be compensated for irregular or occasional overtime work for which compensation would be due under this act with an equal amount of compensatory time off from his scheduled tour of duty in lieu of such compensation."

SEC. 205. (a) Section 203 of the Federal Employees Pay Act of 1945, as amended, is redesignated as section 205, and wherever such section number appears in such act of in any other provision of law it is amended to conform to the redesignation prescribed by this subsection.

(b) The Federal Employees Pay Act of 1945, as amended, is amended by inserting after section 202 thereof the following new sections:

"Call-Back Overtime

"SEC. 203. For the purposes of this act, any unscheduled overtime work performed by any officer or employee on a day when no work was scheduled for him, or for which he is required to return to his place of employment, shall be considered to be at least 2 hours in duration.

"Time in Travel Status

"SEC. 204. For the purposes of this act, time spent in a travel status away from the official-duty station of any officer or employee shall be considered as hours of employment only when (a) within the days and hours of such officer's or employee's regularly scheduled administrative workweek, including regularly scheduled overtime hours, or (b) when the travel involves the performance of work while traveling or is carried out under arduous conditions."

Compensation for night and holiday work

SEC. 206. Section 301 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"SEC. 301. (a) Any regularly scheduled work between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian (including periods of absence with pay during such hours due to holidays, and any such hours within periods of leave with pay if such periods total less than 8 hours during any pay period) shall be considered nightwork, except as provided in subsection (b), and any officer or employee performing such work to whom this title applies shall be compensated for such work at his rate of basic compensation plus premium compensation amounting to 10 percent of such rate, unless otherwise provided in title IV of this act. This section shall not operate to modify the provisions of the act of July 1, 1944 (Public Law No. 394, 78th Cong.), or any other law authorizing additional compensation for nightwork.

"(b) The head of any department, independent establishment, or agency, including Government-owned or comtrolled corporations, may designate any time after 6 o'clock postmeridian and any time before 6 o'clock antemeridian as the beginning and end, respectively, of nightwork for the purpose of subsection (a) at any post outside the several States and the District of Columbia where customary hours of business extend into the hours of nightwork provided by such subsection."

SEC. 207. Section 302 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"SEC. 302. (a) All work not exceeding 8 hours, which is not overtime work as defined in section 201 of this act and which is performed on a holiday designated by Federal statute or Executive order, shall be compensated at the rate of basic compensation of the officer or employee performing such work on a holiday plus premium compensation at a rate equal to the rate of basic compensation of such officer or employee.

"(b) Any officer or employee who is required to perform any work on such a holiday shall be compensated for at least 2 hours of such work, and any such premium compensation due under the provisions of this section shall be in addition to any premium compensation which may be due for the same work under the provisions of section 301 of this act providing premium compensation for nightwork.

"(c) Overtime work, as defined in section 201 of this act, on Sundays and such holidays shall be compensated in accordance with the provisions of such section 201.

Special provisions for certain types of work

SEC. 208. (a) The Federal Employees Pay Act of 1945, as amended, is amended by inserting after title III thereof a new title to read as follows:

"TITLE IV—SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK

"SEC. 401. (a) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, or of the municipal government of the District of Columbia may, with the approval of the Civil Service Commission, provide that—

"(1) any officer or employee in a position requiring him regularly to remain at, or within the confines of, his station during longer than ordinary periods of duty, a substantial part of which consists of remaining in a standby status rather than performing work, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this act. Premium compensation under this paragraph shall be determined as an appropriate percentage (not in excess of 25 percent) of such part of the rate of basic compensation for any such position as does not exceed the maximum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, by taking into consideration the number of hours of actual work required in such position, the number of hours required in a standby status at or within the confines of the station, the extent to which the duties of such position are made more onerous by night or holiday work, or by being extended over periods of more than 40 hours a week, and any other relative factors; or

"(2) any officer or employee in a position in which the hours of duty cannot be controlled administratively, and which requires substantial amounts of irregular, unscheduled, overtime duty and duty at night and on holidays with the officer or employee generally being responsible for recognizing, without supervision, circumstances which require him to remain on duty, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this act, except for regularly scheduled overtime duty. Premium compensation under this paragraph, shall be determined as an appropriate percentage (not in excess of 15 percent) of such part of the rate of basic compensation for any such position as does not exceed the maximum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, by taking into consideration the frequency and duration of night, holiday, and unscheduled overtime duty required in such position.

"(b) This section shall not apply to officers and employees in positions the duties of which are to supervise or perform work involved in (1) fighting fires, (2) maintaining fire-fighting apparatus and equipment, (3) inspecting fire protection apparatus and equipment, and (4) inspecting fire hazards in public buildings and reservations with a view to elimination of such fire hazards. Any such officer or employee shall receive premium compensation for such duty on the basis to which such officer or employee is entitled under any other provisions of this act.

(b) Nothing contained in this section shall be construed to decrease the existing aggregate rate of compensation of any present employee, but when the position of such employee becomes vacant any subsequent appointee thereto shall receive premium compensation provided for such position in accordance with this section.

Limitation on premium compensation

SEC. 209. Section 603 of the Federal Employees Pay Act of 1945, as amended, and the heading immediately preceding such section are amended to read as follows:

"Limitation on premium compensation

"SEC. 603. (a) No premium compensation provided by this act shall be paid to any officer or employee whose rate of basic compensation equals or exceeds the maximum scheduled rate of basic compensation provided for grade GS-15 in the Classification Act of 1949, as amended.

"(b) In the case of any officer or employee whose rate of basic compensation is less than the maximum scheduled rate of basic compensation provided for grade GS-15 in the Classification Act of 1949, as amended, such premium compensation may be paid only to the extent that such payment would not cause his aggregate rate of compensation to exceed such maximum scheduled rate with respect to any pay period."

Work schedules

SEC. 210. (a) The heading immediately preceding section 604 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"Establishment of Basic Workweek; Work Schedules; Pay Computation Methods"

(b) Section 604 (a) of the Federal Employees Pay Act of 1945, as amended, is amended by inserting "(1)" after "(a)" and by adding at the end thereof a new paragraph as follows:

"(2) Except where the head of each such department, establishment, or agency and of the municipal government of the District of Columbia determines that his organization would be seriously handicapped in carrying out its functions or that costs would be substantially increased, he shall provide, with respect to all officers and employees in his organization, (A) that assignments to tours of duty shall be scheduled in advance over periods of not less than 1 week, (B) that the basic 40-hour workweek shall be scheduled on 5 days, which shall be Monday through Friday wherever possible, and the 2 days outside the basic workweek shall be consecutive, (C) that the working hours in each day in the basic workweek shall be the same, (D) that the basic nonovertime workday shall not exceed 8 hours, (E) that the occurrence of holidays shall not affect the designation of the basic workweek, and (F) that breaks in working hours of more than 1 hour shall not be scheduled in any basic workday."

SEC. 211. This title shall become effective at the beginning of the first pay period which begins more than 60 days after the date of enactment of this act.

TITLE III—GOVERNMENT EMPLOYEES' INCENTIVE AWARDS

SEC. 301. This title may be cited as the "Government Employees' Incentive Awards Act."

SEC. 302. The departmental awards program set forth in this title shall be carried out under such regulations and instructions as may be issued by the United States Civil Service Commission which shall annually report the results of the program, with related recommendations, to the President for transmittal to the Congress.

SEC. 303. As used in this title, the term "department" means an executive department or independent agency in the executive branch of the Government, including a Government-owned or controlled corporation (but not including the Tennessee Valley Authority), and also includes (a) the Administrative Office of the United States Courts, (b) the Library of Congress, (c) the Botanic Garden, (d) the Government Printing Office, (e) the Office of the Architect of the Capitol, and (f) the municipal government of the District of Columbia.

SEC. 304. (a) The head of each department is authorized to pay cash awards to, and to incur necessary expenses for the honorary recognition of, civilian officers and employees of the Government who by their suggestions, inventions, superior accomplishments, or other personal efforts contribute to the efficiency, economy, or other improvement of Government operations or who perform special acts or services in the public interest in connection with or related to their official employment.

(b) In instances determined by the President to warrant such action, he is authorized to pay cash awards to, and to incur necessary expenses for the honorary recognition of, civilian officers and employees of the Government who by their suggestions, inventions, superior accomplishments, or other personal efforts contribute to the efficiency, economy, or other improvement of Government operations, or who perform exceptionally meritorious special acts or services in the public interest in connection with or related to their official employment, and any such Presidential awards may be in addition to the departmental awards authorized in subsection (a) of this section.

(c) Awards under this section may be paid notwithstanding the death or separation from the service of the officer or employee concerned: *Provided*, That the suggestions, inventions, superior accomplishments, other personal efforts, or special acts or services in the public interest forming the basis for the awards are made or rendered while the officer or employee is in the employ of the Government.

(d) A cash award under this section shall be in addition to the regular compensation of the recipient and the acceptance of such cash award shall constitute an agreement that the use by the Government of the United States or the municipal government of the District of Columbia of any idea, method, or device for which the award is made shall not form the basis of a further claim of any nature upon the Government of the United States or the municipal government of the District of Columbia by the employee, his heirs, or assigns.

(e) Awards to employees and expenses for the honorary recognition of employees may be paid from the funds or appropriations available to the activity primarily benefiting or may be paid from the several funds or appropriations of the various activities benefiting as may be determined by the President for awards under subsection (b) of this section, and by the head of the department concerned for awards under subsection (a) of this section.

(f) An award under this title shall be given due weight in qualifying and selecting employees for promotion.

SEC. 305. The following laws and parts of laws are hereby repealed:

(a) Sections 702, 1002, and 1003 of the Classification Act of 1949 (63 Stat. 954; 5 U. S. C. 1122, 1152, 1153).

(b) Section 14 of the act entitled "An act to authorize certain administrative expenses in the Government service, and for other purposes," approved August 2, 1946 (60 Stat. 809; 5 U. S. C. 116a).

(c) The act entitled "An act authorizing payments of rewards to postal employees for inventions," approved December 3, 1945 (59 Stat. 591; 39 U. S. C. 813).

(d) The act entitled "An act authorizing the Secretary of War to pay a cash award for suggestions submitted by employees of certain establishments of the Ordnance Department for improvement or economy in manufacturing process or plant," approved July 17, 1912 (37 Stat. 193; 50 U. S. C. 58).

(e) The act entitled "An act to provide equitable compensation for useful suggestions or inventions by personnel of the Department of the Interior," approved June 26, 1944 (58 Stat. 360; 5 U. S. C. 500).

(f) Subsections (a) and (b) of section 35 of the act entitled "An act to enact certain provisions now included in the Naval Appropriation Act, 1946, and for other purposes," approved August 2, 1946 (60 Stat. 857; 5 U. S. C. 416).

(g) The joint resolution entitled "Joint resolution to provide cash awards to personnel of the Maritime Commission and the War Shipping Administration for useful suggestions to improve administration of their activities," approved March 13, 1944 (58 Stat. 115; 46 U. S. C. 1111b).

(h) All other laws or parts of laws inconsistent with this act are hereby repealed to the extent of such inconsistency.

SEC. 306. This title shall take effect on the 90th day after the date of its enactment.

TITLE IV—UNIFORM ALLOWANCES

SEC. 401. This title may be cited as the "Federal Employees Uniform Allowance Act."

SEC. 402. There is hereby authorized to be appropriated annually to each agency of the Government of the United States or of the District of Columbia (including Government-owned corporations), upon a showing of the necessity or desirability thereof, an amount not to exceed $100 multiplied by the number of the employees of such agency who are required by regulation now existing or by law to wear a prescribed uniform in the performance of his or her official duties and who are not being furnished with such uniform. The head of any agency to which any such appropriation is made shall pay, out of such appropriation, to each such employee an allowance for defraying the expenses of acquisition and upkeep of such uniform at such times and in such amounts, not to exceed $100 per annum, as may be prescribed by the head of such agency in accordance with rules and regulations promulgated pursuant to section 404. Where the payment of a uniform allowance is authorized under any other provision of law or regulation existing on the date of enactment of this act, the head of the agency may in his discretion continue the payment of such allowance under such provision of law or regulation, but where a uniform allowance is paid under any such law or regulation no allowance shall be paid under this section.

SEC. 403. Allowances paid under this title shall not be considered as pay, salary, or compensation within the meaning of the Civil Service Retirement Act of May 29, 1930, as amended, or as wages within the meaning of section 209 of the Social Security Act, as amended, or subchapter A or D of chapter 9 of the Internal Revenue Code, as amended.

SEC. 404. The Director of the Bureau of the Budget is authorized and directed to promulgate such rules and regulations as may be necessary to provide for the uniform administration of this title.

TITLE V—ANNUAL LEAVE

SEC. 501. Clause (6) of section 2 of the act of August 3, 1950, as amended by section 5 of such act of July 2, 1953, is amended to read as follows: "(6) payment for all accumulated and current accrued annual or vacation leave equal to the compensation the decedent would have received had he remained in the service until the expiration of the period of such annual or vacation leave; except that such lump payment shall not include compensation for any period of accumulated leave in excess of 30 days, plus current accrued leave, or in excess of the number of days of accumulated leave to which he is entitled on the date of separation (excluding accumulated leave earned in the 1954 leave year and thereafter), plus current accrued leave, whichever is the greater."

SEC. 502. Section 6 of the act of July 2, 1953 (Public Law 102, 83d Cong.), is hereby repealed.

SEC. 503. Section 501 of this title shall take effect as of September 1, 1953.

TITLE VI—GROUP INSURANCE

SEC. 601. This act may be cited as the "Federal Employees' Group Life Insurance Act of 1954."

SEC. 602. (a) Except as provided in (b) of this section, each appointive or elective officer or employee (hereinafter called employee) in or under the executive, judicial, or legislative branch of the United States Government, including a Government owned or controlled corporation (but not including any corporation under the supervision of the Farm Credit Administration of which corporation any member of the board of directors is elected or appointed by private interests), and of the municipal government of the District of Columbia shall, at such time and under such conditions of eligibility as the Civil Service Commission (hereinafter called the Commission) may by regulation prescribe, come within the purview of this title. Such regulations may provide for the exclusion of employees on the basis of the nature and type of employment or conditions pertaining thereto such as, but not limited to, short-term appointments, seasonal or intermittent employment, part-time employment, and employment of like nature, and shall be issued only after consultation with the head of the department, establishment, agency, or other employing authority concerned: *Provided*, That no employee or group of employees shall be excluded solely on the basis of the hazardous nature of employment.

(b) This title shall not apply to noncitizen employees whose permanent duty station is located outside a State of the United States or the District of Columbia, nor shall it apply to commissioned officers and enlisted personnel on active duty in or with the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States, who have indemnity coverage under the Servicemen's Indemnity Act of 1951 (65 Stat. 33).

SEC. 603. (a) Each employee to whom this title applies shall be eligible to be insured for an amount of group life insurance approximating his annual compensation not exceeding $20,000 plus an equal amount of group accidental death and dismemberment

insurance, in accordance with the following schedule:

If annual compensation is—		The amount of group life insurance shall be—	The amount of group accidental death and dismemberment insurance shall be—
Greater than—	But not greater than—		
0	$1,000	$1,000	$1,000
$1,000	2,000	2,000	2,000
2,000	3,000	3,000	3,000
3,000	4,000	4,000	4,000
4,000	5,000	5,000	5,000
5,000	6,000	6,000	6,000
6,000	7,000	7,000	7,000
7,000	8,000	8,000	8,000
8,000	9,000	9,000	9,000
9,000	10,000	10,000	10,000
10,000	11,000	11,000	11,000
11,000	12,000	12,000	12,000
12,000	13,000	13,000	13,000
13,000	14,000	14,000	14,000
14,000	15,500	15,000	15,000
15,000	16,000	16,000	16,000
16,000	17,000	17,000	17,000
17,000	18,000	18,000	18,000
18,000	19,000	19,000	19,000
19,000	------	20,000	20,000

(b) Subject to the conditions and limitations of the policy or policies purchased by the Commission under this title, as may be approved by the Commission, the group accidental death and dismemberment insurance shall provide payments as follows:

Loss	*Amount payable*
For loss of life.	Full amount shown in the schedule in (a) of this section.
Loss of 1 hand or of 1 foot or loss of sight of 1 eye.	One-half the amount shown in the schedule in (a) of this section.
Loss of two or more such members.	Full amount shown in the schedule in (a) of this section.

For any one accident the aggregate of group accidental death and dismemberment insurance that may be paid shall not exceed the amount shown in the schedule in (a) of this section.

(c) The Commission shall by regulation provide for the conversion of other than annual rates of compensation to an annual basis, and shall further specify the types of compensation to be included in annual compensation.

(d) Each of such amounts of insurance shall me reduced by 2 percent thereof at the end of each full calendar month following the date the employee attains age 65, subject to minimum amounts prescribed by the Commission, but not less than 25 percent of the insurance in force immediately preceding the first reduction provided herein: *Provided,* That the amounts of insurance in force from time to time on an employee who becomes insured under this title after having attained the age of 65 shall be the same as would be in force had he been insured at age 65, and shall be based on the lesser of his annual compensation (1) at the time he becomes so insured, or (2) at age 65, provided he was eligible at that time to be insured under this title.

SEC. 604. Any amount of group life insurance and group accidental death insurance in force on any employee at the date of his death shall be paid, upon the establishment of a valid claim therefor, to the person or persons surviving at the date of his death, in the following order of precedence:

First, to the beneficiary or beneficiaries as the employee may have designated by a writing received in the employing office prior to death;

Second, if there be no such beneficiary, to the widow or widower of such employee;

Third, if none of the above, to the child or children of such employee and descendants of deceased children by representation;

Fourth, if none of the above, to the parents of such employee or the survivor of them;

Fifth, if none of the above, to the duly appointed executor or administrator of the estate of such employee;

Sixth, if none of the above, to other next of kin of such employee entitled under the laws of domicile of such employee at the time of his death.

If any person otherwise entitled to payment under this section does not make claim therefor within 1 year after the death of the employee, or if payment to such person within that period is prohibited by Federal statute or regulation, payment may be made in the order of precedence as if such person had predeceased the employee, and any such payment shall be a bar to recovery by any other person.

SEC. 605. (a) During any period in which an employee under age 65 is insured under a policy of insurance purchased by the Commission as authorized in section 607 of this title, there shall be withheld from each salary payment of such employee, as his share of the cost of his group life and accidental death and dismemberment insurance, an amount determined by the Commission, but not to exceed the rate of 25 cents biweekly for each $1,000 of his group life insurance: *Provided,* That an employee who is paid on other than a biweekly basis shall have an amount so withheld, determined at a proportionate rate, which rate shall be adjusted to the nearest cent.

Any policy of insurance purchased by the Commission as authorized in section 607 of this title shall provide that all employees eligible under the terms of this title will be automatically insured thereunder commencing on the date they first become so eligible: *Provided,* That any employee desiring not to be so insured shall, on an appropriate form to be prescribed by the Commission, give written notice to his employing office that he desires not to be insured. If such notice is received before the employee shall have become insured under such policy, he shall not be so insured; if it is received after he shall have become insured, his insurance under the policy will cease effective with the end of the pay period during which the notice is received by the employing office.

(b) For each period in which an employee is insured under a policy of insurance purchased by the Commission as authorized in section 607 of this title, there shall be contributed from the respective appropriation or fund which is used for payment of his salary, wage, or other compensation (or, in the case of an elected official, from such appropriation or fund as may be available for payment of other salaries of the same office or establishment) a sum computed at a rate determined by the Commission, but not to exceed one-half the amount withheld from the employee under this section.

(c) The sums withheld from employees under subsection (a) and the sums contributed from appropriations and funds under subsection (b) shall be deposited in the Treasury of the United States to the credit of a fund which is hereby created. Said fund is hereby made available without fiscal year limitation for premium payments under any insurance policy or policies purchased as authorized in sections 607 and 610 of this title, and for any expenses incurred by the Commission in the administration of this title within such limitations as may be specified annually in appropriation acts: *Provided,* That appropriations available to the Commission for salaries and expenses for the fiscal year 1955 shall be available on a reimbursable basis for necessary administrative expenses of carrying out the purposes of this title until said fund shall be sufficient to provide therefor. The income derived from any dividends or premium rate adjustments received from insurers shall constitute a part of said fund.

SEC. 606. Each policy purchased under this title shall contain a provision, in terms approved by the Commission, to the effect that any insurance thereunder on any employee shall cease upon his separation from the service or 12 months after discontinuance of his salary payments, whichever first occurs, subject to a provision which shall be contained in the policy for temporary extension of coverage and for conversion to an individual policy of life insurance under conditions approved by the Commission, except that if upon such date as the insurance would otherwise cease the employee (a) retires on an immediate annuity, and (b) unless retired for disability, has had 15 years of creditable civilian service, as determined by the Commission, his life insurance only may, under conditions determined by the Commission, be continued without cost to him in the amounts for which he would have been insured from time to time had his salary payments continued at the same rate as on the date of cessation.

SEC. 607. (a) The Commission is authorized, without regard to section 3709 of the Revised Statutes as amended, to purchase from one or more life-insurance companies, as determined by it, a policy or policies of group life accidental, death and dismemberment insurance to provide the benefits specified in this title: *Provided,* That any such company must meet the following requirements: (1) Be licensed under the laws of 48 of the States of the United States and the District of Columbia to transact life and accidental death and dismemberment insurance, and (2) the amount of its employee group life insurance on the most recent December 31 for which information is available to the Commission shall on that date equal at least 1 percent of the total amount of employee group life insurance in the United States in all life-insurance companies.

(b) The life-insurance company or companies issuing such policy or policies shall establish an administrative office under a name to be approved by the Commission.

(c) The Commission shall arrange with the life-insurance company or companies issuing any policy or policies purchased under this title to reinsure, under conditions approved by it, portions of the total amount of insurance under the policy or policies, determined as provided in subsection (d) of this section, with such other life-insurance companies as may elect to participate in such reinsurance.

(d) The Commission shall determine a formula so that the amount of insurance in force to be retained by each issuing company after ceding reinsurance and the total amount of reinsurance ceded to each reinsuring company shall be in proportion to the total amount of each such company's group life insurance in force in the United States on December 31, 1953: *Provided,* That in determining such proportions, that portion of any company's group life insurance in force on December 31, 1953, which is in excess of $100,000,000 shall be reduced by 25 percent of the first $100,000,000 of such excess, 50 percent of the second $100,000,000 of such excess, 75 percent of the third $100,000,000 of such excess, and 95 percent of any excess thereafter: *Provided further,* That the amount retained by or ceded to any company shall not exceed 25 percent of the amount of that company's total life insurance in force in the United States on December 31, 1953: *Provided further,* That if, at the end of 1 year following the date of enactment of this act, in the case of any issuing company or reinsurer which insured employees of the Federal Government on December 31, 1953, under policies issued to an association of Federal employees, the amount which results from the application of this formula is less than the decrease, if any, in the amount of such company's insurance under such policies, the amount allocated to such company shall,

upon the first reallocation as provided in subsection (e) of this section, be increased to the amount of such decrease: *And provided further*, That any fraternal benefit association which is licensed under the laws of a State of the United States or the District of Columbia to transact life insurance and is engaged in issuing insurance certificates on the lives of employees of the Federal Government exclusively shall be eligible to act as a reinsuring company and may be allocated an amount of reinsurance equal to 25 percent of its total life insurance in force on employees of the Federal Government on December 31, 1953.

(e) The companies eligible to participate as reinsurers, and the amount of insurance under the policy or policies to be allocated to each issuing company or reinsurer may be redetermined by the Commission for and in advance of any policy year after the first, on a basis consistent with subsections (c) and (d) of this section, with any modifications thereof it deems appropriate to carry out the intent of such subsections, and based on each participating company's group life insurance in force, excluding that under any policy or policies purchased under this title except in the case of companies covered in the third proviso of subsection (d), in the United States on the most recent December 31 for which information is available to it, and shall be so redetermined in a similar manner not less often than every 3 years or at any time that any participating company withdraws from participation.

(f) The Commission may at any time discontinue any policy or policies it has purchased from any insurance company.

SEC. 608. (a) Each policy or policies purchased under this title shall include, for the first policy year, basic tables of premium rates as follows:

(1) For group life insurance, a schedule of basic premium rates by age which the Commission shall have determined on a basis consistent with the lowest schedule of basic premium rates generally charged for new group life insurance policies issued to large employers, this schedule of basic premium rates by age to be applied, except as otherwise provided in this section, to the distribution by age of the amounts of group life insurance under the policy at its date of issue to determine an average basic premium rate per $1,000 of life insurance, and

(2) For group accidental death and dismemberment insurance, a basic premium rate which the Commission shall have determined on a basis consistent with the lowest rate generally charged for new group accidental death and dismemberment insurance policies issued to large employers.

Each policy so purchased shall also include provisions whereby the basic rates of premium determined for the first policy year shall be continued for subsequent policy years, except that they may be readjusted for any subsequent year, based on the experience under the policy, such readjustment to be made by the insurance company or companies issuing the policy on a basis determined by the Commission in advance of such year to be consistent with the general practice of life insurance companies under policies of group life and group accidental death and dismemberment insurance issued to large employers.

(b) Each policy so purchased shall include a provision that, in the event the Commission determines that ascertaining the actual age distribution of the amounts of group life insurance in force at the date of issue of the policy or at the end of the first or any subsequent year of insurance thereunder would not be possible except at a disproportionately high expense, it may approve the determination of a tentative average group life premium rate, for the first or any subsequent policy year, in lieu of using the actual age distribution. Such tentative average premium rate shall be redetermined by the Commission during any policy year upon request by the insurance company or companies issuing the policy, if experience indicates that the assumptions made in determining the tentative average premium rate for that policy year were incorrect.

(c) Each policy so purchased shall contain a provision stipulating the maximum expense and rise charges for the first policy year, which charges shall have been determined by the Commission on a basis consistent with the general level of such charges made by life insurance companies under policies of group life and accidental death and dismemberment insurance issued to large employers. Such maximum charges shall be continued from year to year, except that the Commission may redetermine such maximum charges for any year either by agreement with the insurance company or companies issuing the policy or upon written notice given by it to such companies at least 1 year in advance of the beginning of the year for which such redetermined maximum charges will be effective.

(d) Each such policy shall provide for an accounting to the Commission not later than 90 days after the end of each policy year, which shall set forth, in a form approved by the Commission, (1) the amounts of premiums actually accrued under the policy from its date of issue to the end of such policy year, (2) the total of all mortality and other claim charges incurred for that period, and (3) the amounts of the insurers' expense and risk charges for that period. Any excess of the total of item (1) over the sum of items (2) and (3) shall be held by the insurance company or companies issuing the policy as a special contingency reserve to be used by such insurance company or companies for charges under such policy only, such reserve to bear interest at a rate to be determined in advance of each policy year by the insurance company or companies issuing the policy, which rate shall be approved by the Commission as being consistent with the rates generally used by such company or companies for similar funds held under other group life insurance policies: *Provided*, That if and when the Commission determines that such special contingency reserve has attained an amount estimated by it to make satisfactory provision for adverse fluctuations in future charges under the policy, any further such excess shall be deposited in the Treasury of the United States to the credit of the fund. If and when such policy is discontinued, and if, after all charges have been made, there is any positive balance remaining in such special contingency reserve, such balance shall be deposited in the Treasury of the United States to the credit of the fund, subject to the right of the insurance company or companies issuing the policy to make such deposit in equal monthly installments over a period of not more than 2 years.

SEC. 609. The Commission shall arrange to have each employee insured under such policy receive a certificate setting forth the benefits to which the employee is entitled thereunder, to whom such benefits shall be payable, to whom claims should be submitted, and summarizing the provisions of the policy principally affecting the employee. Such certificate shall be in lieu of the certificate which the insurance company or companies would otherwise be required to issue.

SEC. 610. (a) The Commission is authorized to arrange with any nonprofit association of Federal employees for the assumption by the fund of any existing life insurance agreements of such association with its members retired or otherwise separated from the Federal service and to insure the obligations assumed with any company or companies meeting the requirements of section 607 (a).

(b) Any such arrangement shall provide that payments by such insured members for life insurance only shall thereafter be made at the same rates to the fund, under such conditions as the Commission may prescribe.

(c) Any such arrangement shall further provide that there be transferred to and deposited in the fund the lesser of the following amounts:

(1) The total assets of the life insurance fund of such association; or

(2) The amount required to meet the liabilities under life insurance agreements assumed, taking into account the payments as provided in paragraph (b). The determination of this amount shall be based on an actuarial valuation satisfactory to the Commission, procured by the association without expense to the Commission.

(d) The arrangements authorized by this section shall be made only with those associations which terminate life insurance agreements with all of their members within 1 year after the date of enactment of this act, and such arrangements shall apply only to life insurance granted to any member by any such association before January 1, 1954.

(e) In any case in which the fund assumes a liability for life insurance as provided in this section in respect to a person who (1) subsequently becomes eligible to be insured as an employee under this title, and (2) does not give notice, as provided in section 605 (a), of his desire not to be so insured, the life insurance provided under this section shall terminate as of the date such person becomes insured as an employee.

SEC. 611. Except as otherwise provided herein, the Commission is hereby authorized to promulgate such regulations as may be necessary and proper to give effect to the intent, purposes, and provisions of this title.

SEC. 612. (a) There is hereby established an Advisory Council on Group Insurance consisting of the Secretary of the Treasury as Chairman, the Secretary of Labor, and the Director of the Bureau of the Budget, who shall serve without additional compensation. The council shall meet once a year, or oftener at the call of the Commission, and shall review the operations of this title and advise the Commission on matters of policy relating to its activities thereunder.

(b) The Chairman of the Commission shall appoint a committee composed of five employees insured under this title, who shall serve without compensation, to advise the Commission regarding matters of concern to employees under this title.

SEC. 613. The Commission shall report annually to Congress upon the operation of this title.

SEC. 614. The district courts of the United States shall have original jurisdiction, concurrent with the Court of Claims, of any civil action or claim against the United States founded upon this title.

SEC. 615. The insurance provided by this title and the withholdings and contributions for that purpose shall become effective when directed by the Commission.

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. (a) Section 2 (b) of the Performance Rating Act of 1950 (5 U. S. C., sec. 2001) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following:

"(12) The Central Intelligence Agency."

(b) Section 9 of the Central Intelligence Agency Act of 1949, as amended (50 U. S. C., sec. 403i), is hereby repealed.

SEC. 702. Section 1310 of the Supplemental Appropriation Act, 1952 (Public Law 253, 82d Cong.), as amended, is hereby repealed.

Mr. SMATHERS. Mr. President, may we have an explanation of the bill?

Mr. CARLSON. Mr. President, this is the House version of the fringe benefit bill. A similar bill passed the Senate some weeks ago, and was sent to the House of Representatives, where it was amended by including the classified pay bill. It has not moved since that time.

It is a piece of legislation which is important to the Federal workers of the Nation. It has the aproval of everyone with whom I have talked.

The Senate Committee on Post Office and Civil Service took the fringe benefit bill and the Federal insurance bill and combined them as amendments to the House bill which is presently before the Senate.

Since that time the House has passed the Federal insurance bill. I ask unanimous consent that the provisions with regard to Federal insurance may be stricken from the bill now pending.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? Without objection, it is so ordered.

Mr. CARLSON. That would leave the fringe benefit bill about as it passed the Senate for further action, either by the committee of conference, or by the House accepting the amendment of the Senate.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. GORE. The supplemental appropriation bill, which the Senate considered a few days ago, provided for salary increases for certain employees of the Senate. Would the proposed action involve a duplication of the previous action?

Mr. CARLSON. The distinguished Senator from Tennessee talked with me about that, and I told him I would check and propose an amendment to take care of that situation. Under a gentleman's agreement on the Senate floor, the number of positions to be included in the bill were 150. If the appropriation bill should supersede this bill, providing for 150, I sincerely hope that they will be included in that number. It is my sincere intention that that be done, but I have not prepared the language for such an amendment.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. HAYDEN. I happen to know that the House conferees seriously objected to the amendment placed in the bill changing the civil-service ratings of certain employees of the Architect of the Capitol, and said that the matter could be cured, in their opinion, by some contact which was to be made with the Civil Service Commission. I understand that contact has been made. If that be true, then there will be nothing in the bill, when it comes out of conference, of the nature to which the Senator has referred.

Mr. CARLSON. Mr. President, I appreciate very much the statement of the Senator from Arizona, because that is certainly what I hoped would be the attitude of the Senate on this particular piece of legislation.

Mr. GORE. I thank the Senator.

The PRESIDING OFFICER. Will the Senator from Kansas kindly advise what portion of the bill relative to the insurance features he asks to have stricken out?

Mr. CARLSON. The section I wish stricken is an amendment to H. R. 2263, beginning on page 28.

The PRESIDING OFFICER. It is an amendment to the pending bill?

Mr. CARLSON. Yes. I ask that that be stricken.

The PRESIDING OFFICER. Is it title 6?

Mr. CARLSON. That is correct.

Mr. President, I offer an amendment which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 28, line 20, it is proposed to strike out title 6, Group Insurance.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas.

The amendment was agreed to.

Mr. CARLSON. Mr. President, I offer the amendment which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 46, after line 14, it is proposed to insert a new section, as follows:

SEC. 703. The Official Reporters of the proceedings and debates of the Senate and their employees shall be considered to be officers or employees in or under the legislative branch of the Government within the meaning of the provisions of section 2 (a) of the Federal Employees' Group Life Insurance Act of 1954.

Mr. CARLSON. Mr. President, I offer this amendment to the bill because I sincerely hope the Senate will take care of the Official Reporters of Debates, who have worked so faithfully during this session.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment as amended was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes."

BILL PASSED OVER

The bill (H. R. 1980) to authorize and direct the Commissioners of the District of Columbia to construct a bridge over the Potomac River in the vicinity of Jones Point, Va., and for other purposes, was announced as next in order.

Mr. SMATHERS. Over.

The PRESIDING OFFICER. The bill will be passed over.

SPECIAL REGULATIONS IN THE DISTRICT OF COLUMBIA FOR THE AMERICAN LEGION NATIONAL CONVENTION

The joint resolution (H. J. Res. 560) to authorize the Commissioners of the District of Columbia to promulgate special regulations for the period of the American Legion National Convention of 1954, to authorize the granting of certain permits to the American Legion 1954 Convention Corporation on the occasion of such convention, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

QUARTERING OF TROOPS DURING AMERICAN LEGION CONVENTION IN THE DISTRICT OF COLUMBIA

The joint resolution (H. J. Res. 561) to authorize the quartering in public buildings in the District of Columbia of troops participating in activities related to the American Legion National Convention of 1954 was considered, ordered to a read reading, read the third time, and passed.

AMENDMENT OF CODE OF LAW FOR THE DISTRICT OF COLUMBIA RELATING TO ATTACHMENT PROCEEDINGS

The Senate proceeded to consider the bill (H. R. 8128) to amend section 1089 of the Code of Law for the District of Columbia relating to attachment proceedings, which had been reported from the Committee on the District of Columbia with an amendment, on page 1, line 9, after the word "after", to strike out " "1809" and insert "1089"."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CONSOLIDATION OF POLICE AND MUNICIPAL COURTS OF THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H. R. 8915) to amend the act entitled "An act to consolidate the police court of the District of Columbia and the municipal court of the District of Columbia, to be known as the municipal court of appeals for the District of Columbia and for other purposes, which had been reported from the Committee on the District of Columbia with an amendment, on page 3, at the beginning of line 1, to strike out "121" and insert "1121."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to amend the act entitled 'An act to consolidate the police court of the District of Columbia and the municipal court of the District of Columbia, to be known as the municipal court for the

District of Columbia, to create "the municipal court of appeals for the District of Columbia", and for other purposes.' "

WAIVER OF ANNUITIES, RELIEF, OR RETIREMENT COMPENSATION OF RETIRED POLICEMEN AND FIREMEN OF THE DISTRICT OF COLUMBIA

The Senate proceeed to consider the bill (H. R. 7853) to permit retired policemen, firemen, and teachers of the District of Columbia to waive all or part of their annuities, relief, or retirement compensation, which had been reported from the Committee on the District of Columbia with an amendment, to strike out all after the enacting clause and insert:

That any person entitled to relief or retirement compensation pursuant to the provisions of section 12 of the act approved September 1, 1916 (39 Stat. 718), as amended (title 4, ch. 5, D. C. Code, 1951 edition), may decline to accept all or any part of such relief or retirement compensation by a waiver signed and filed with the Commissioners of the District of Columbia or their designated agent. Such waiver may be revoked in writing at any time, but no payment of the relief or retirement compensation waived shall be made covering the period during which such waiver was in effect.

Mr. HENDRICKSON. Mr. President, may we have a brief explanation of the bill?

Mr. CASE. The purpose of the bill is to permit retired policemen and firemen to waive all or any part of their retirement compensation or relief to which they are entitled, in the same manner as persons retired under the Civil Service Retirement Act. Section 3 of Public Law 555 of the 82d Congress, approved July 16, 1952, gives such privilege to the latter group of employees.

The purpose of the committee amendment is to eliminate school teachers from the provisions of this measure. This was done in accordance with the request of a representative of the American Federation of Teachers appearing at the subcommittee hearings on June 22, 1954.

Representatives of the policemen's and firemen's groups favored the bill, as did the District of Columbia Commissioners.

The House passed the bill, and it was reported unanimously by the Senate Committee on the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An act to permit retired policemen and firemen of the District of Columbia to waive all or part of their relief or retirement compensation."

CONDEMNATION OF INSANITARY BUILDINGS IN THE DISTRICT OF COLUMBIA

The bill (H. R. 6127) to amend the act entitled "An act to create a Board for the Condemnation of Insanitary Buildings in the District of Columbia, and for other purposes", approved May 1, 1906, as amended, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

PROVISION FOR FAMILY QUARTERS FOR PERSONNEL OF THE MILITARY DEPARTMENTS

The Senate proceeded to consider the bill (S. 3818) to provide for family quarters for personnel of the military departments of the Department of Defense and their dependents, and for other purposes, which had been reported from the Committee on Armed Services with an amendment on page 16, after line 11, to strike out:

SEC. 407. The Secretary of Defense is authorized to procure family housing for military personnel in foreign countries through the use of not to exceed the equivalent of $75 million in foreign currencies in accordance with the provisions of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83d Congress), which family housing shall be in addition to family housing to be constructed or acquired by the Department of Defense through the use of appropriated funds. Notwithstanding any other provision of law, the Secretary of the military department concerned is authorized to utilize and transfer to the Commodity Credit Corporation in lieu of reimbursement pursuant to section 105 of said act the allowances for quarters that would otherwise be payable to military personnel occupying such family housing to the amount of the cost of the quarters involved.

And in lieu thereof to insert the following:

SEC. 407. The Secretary of Defense is authorized, subject to the approval of the Director of the Bureau of the Budget, to construct, or acquire by lease or otherwise, family housing, in addition to family housing otherwise authorized to be constructed or acquired by the Department of Defense in foreign countries, to the value of $75 million through the use of foreign currencies in accordance with the provisions of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83d Congress).

The Secretary of Defense shall furnish to the Committees on Armed Services of the Senate and the House of Representatives a quarterly report, the first of which shall be submitted 3 months subsequent to the date of enactment of this act, setting forth the cost, number, and location of housing units constructed or acquired pursuant to the authority contained in this section during the 3-month period preceding the date of such report, and setting forth the cost, number, and location of the housing units intended to be constructed or acquired pursuant to such authority during the next succeeding quarter.

Appropriations of the Department of Defense otherwise available for payment of quarters allowances of personnel occupying such family housing shall be available for reimbursement to the Commodity Credit Corporation pursuant to section 105 of the Agricultural Trade Development and Assistant Act of 1954 in an amount equivalent to the dollar value of the currencies used.

So as to make the bill read:

Be it enacted, etc.—

TITLE I

SEC. 101. The Secretary of the Army is authorized further to develop military installations and facilities by providing family housing for personnel of the military departments and their dependents by the construction or installation of public works, which include site preparation, appurtenances, utilities, equipment, and the acquisition of land, as follows:

Continental United States

(Third Army Area)

Fort Campbell, Ky.: 300 units of family housing, $4,093,000.

(Fourth Army Area)

Fort Bliss, Tex.: 250 units of family housing, $3,213,000.

Fort Hood, Tex.: 600 units of family housing, $8,099,000.

(Fifth Army Area)

Camp Carson, Colo.: 1,000 units of family housing, $13,427,000.

Camp Crowder, Mo.: 70 units of family housing, $952,000.

(Sixth Army Area)

Fort Lewis, Wash.: 800 units of family housing, $10,686,000.

Camp Cooke (United States Disciplinary Barracks), Calif.: 50 units of family housing, $663,000.

Yuma Test Station, Ariz.: 20 units of family housing, $267,000.

(Quartermaster Corps)

Belle Mead General Depot, N. J.: 10 units of family housing, $158,000.

(Chemical Corps)

Dugway Proving Ground, Utah: 30 units of family housing, $486,000.

(Signal Corps)

Fort Huachuca, Ariz.: 200 units of family housing, $2,899,000.

Department of the Army Transmitting Station, Va.: 10 units of family housing $164,000.

(Corps of Engineers)

Fort Belvoir, Va.: 300 units of family housing, $3,984,000.

(Transportation Corps)

Fort Eustis, Va.: 250 units of family housing, $3,374,000.

Wilmington Ammunition Terminal, N. C.: 4 units of family housing, $69,000.

(Army Security Agency)

Two Rock Ranch Station, Calif.: 10 units of family housing, $160,000.

(Armed Forces Special Weapons project)

Sandia Base, N. Mex.: 3 units of family housing, $79,000.

Killeen Base, Tex.: 5 units of family housing: $99,000.

(Tactical Sites)

Various locations: 300 units of family housing, $3,990,000.

SEC. 102. The Secretary of the Army is authorized further to develop military installations and facilities by providing family housing for personnel of the military department and their dependents by the rehabilitation of public works, which include appurtenances, utilities, and equipment, in a total amount of $12,230,550: *Provided,* That in his discretion the Secretary of the Army may utilize the authorization contained in this section to provide family housing by the construction or installation of public works, which include site preparation, appurtenances, utilities, equipment, and acquisition of land, at locations to be determined by him. Such family housing shall be in addition to, but shall not exceed 5 percent of, the total number of units authorized by section 101 of this act, but the average cost of such additional units shall not exceed $12,500.

TITLE II

SEC. 201. The Secretary of the Navy is authorized further to develop naval installations and facilities by providing family

thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE PANTELAS

The Clerk called the bill (S. 154) for the relief of George Pantelas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of George Pantelas. From and after the date of enactment of this act, the said George Pantelas shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. HELEN STRYK

The Clerk called the bill (S. 3085) for the relief of Mrs. Helen Stryk.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, Mrs. Helen Stryk may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REGINA BERG VOMBERG

The Clerk called the bill (H. R. 8215) for the relief of Regina Berg Vomberg.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Regina Berg Vomberg, the fiancée of John C. Fenerty, a citizen of the United States, and her children, Wilma and Helga Vomberg, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Regina Berg Vomberg is coming to the United States with a bona fide intention of being married to the said John C. Fenerty and that she is found admissible under all of the provisions of the Immigration and Nationality Act, other than section 212 (a) (9): *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Regina Berg Vomberg and her children, Wilma and Helga Vomberg, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Regina Berg Vomberg and her children, Wilma and Helga Vomberg, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Regina Berg Vomberg and her children, Wilma and Helga Vomberg, as of the date of the payment by them of the required visa fee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Regina Berg Vomberg, and her children, Wilma and Helga Vomberg."

A motion to reconsider was laid on the table.

SISTER MARY BERARDA

The Clerk called the bill (H. R. 5964) for the relief of Sister Mary Berarda.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and nationality laws Sister Mary Berarda shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of required visa fee. Upon the granting of permanent residence to such alien as provided for in this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, lines 3 and 4, strike out "immigration and nationality laws" and substitute "Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE D. HOPPER

The Clerk called the bill (H. R. 5844) for the relief of George D. Hopper.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George D. Hopper, Foreign Service officer, class 1, American Foreign Service, retired, of Asheville, N. C., the sum of $710.28. Payment of such sum shall be in full settlement of all claims of the said George D. Hopper against the United States for reimbursement of the amount of the loss sustained by him while in the American Foreign Service in making payment from his personal funds of the amount of a certain trust fund to the proper parties after having paid the amount of such trust fund in Stockholm, Sweden, to an individual not entitled to such payment who subsequently confesesed to being an imposter: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That concludes the call of bills on the Private Calendar.

DR. MARCIANO GUTIERREZ ET AL.

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7045) for the relief of Dr. Marciano Gutierrez, Dr. Amparo G. Joaquin Gutierrez, and their children, Rosenda, Rebecca, Raymundo, and Marciano, and Mrs. Brigida de Gutierrez, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 1, line 6, after "Rebecca", insert "and."

Page 1, line 6, strike out "and Marciano."

Page 2, line 3, strike out "seven" and insert "six."

Amend the title so as to read: "An act for the relief of Dr. Marciano Gutierrez, Dr. Amparo G. Joaquin Gutierrez, and their children, Rosenda, Rebecca, and Raymundo, and Mrs. Brigida de Gutierrez."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. GRAHAM]?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

HAYIK (JIRAIR) VARTIYAN ET AL.

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1912) for the relief of Hayik (Jirair) Vartiyan, Annemarie Vartiyan, and Susanig Armenuhi Vartiyan, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 11, strike out "two" and insert "three."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. GRAHAM]?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

AMENDING SECTION 1089 OF THE CODE OF LAW FOR THE DISTRICT OF COLUMBIA

Mr. HYDE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8128) to amend section 1089 of the Code of Law for the District of Columbia relating to attachment of proceedings, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 9, strike out "1809" and insert "1089."

The SPEAKER. Is there objection to the request of the gentleman from Maryland [Mr. HYDE]?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

THE MUNICIPAL COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA

Mr. HYDE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8915) to amend the act entitled "An act to consolidate the police court of the District of Columbia, to be known as the municipal court of appeals for the District of Columbia, and for other purposes," with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, line 1, strike out "121" and insert "1121."

Amend the title so as to read: "An act to amend the act entitled 'An act to consolidate the police court of the District of Columbia and the municipal court of the District of Columbia, to be known as the municipal court for the District of Columbia, to create "the municipal court of appeals for the District of Columbia," and for other purposes'."

The SPEAKER. Is there objection to the request of the gentleman from Maryland [Mr. HYDE]?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

AMENDMENTS TO CLASSIFICATION ACT OF 1949

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2263) to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service, together with Senate amendments, disagree to the Senate amendments and agree to the conference asked.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kansas? [After a pause.] The Chair hears none and appoints the following conferees: Mr. REES of Kansas, Mr. BROYHILL, and Mr. MURRAY.

SALE OF CERTAIN LAND IN ALASKA TO BAPTIST MID-MISSIONS

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6959) to authorize the sale of certain land in Alaska to the Baptist Mid-Missions, an Ohio nonprofit corporation, for use as a church site, together with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, strike out lines 3 to 11, inclusive, and insert:

"SEC. 2. Such conveyance shall be subject to the terms and conditions provided for the sale of public lands to a nonprofit corporation or nonprofit association under the act of June 4, 1954 (Public Law 387, 83d Cong., 2d sess.): *Provided*, That the conveyance hereby authorized shall not include any land covered by a valid existing right initiated under the public land laws, or a valid possessory right based upon section 8 of the act of May 17, 1884 (23 Stat. 24), section 14 of the act of March 3, 1891 (26 Stat. 1095), or section 27 of the act of June 6, 1900 (31 Stat. 321; 48 U. S. C., sec. 356): *Provided further*, That notwithstanding any of the provisions of this act, the Secretary shall convey the lands to the Baptist Mid-Missions only if the organization pays the price fixed by the Secretary within 5 years after notification by the Secretary of the price."

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

Mr. GAVIN. Reserving the right to object, Mr. Speaker, will the gentleman explain what this bill is about?

Mr. MILLER of Nebraska. This is a bill that confers to the Baptist Mid-Mission in Ohio, a nonprofit corporation of Cleveland, Ohio, for the period of 1 year, a certain tract of land in Alaska for missionary purposes.

Mr. GAVIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN LAND IN THE STATE OF OKLAHOMA FOR USE AND BENEFIT OF EASTERN OKLAHOMA AGRICULTURAL AND MECHANICAL COLLEGE

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1797) to provide for the conveyance of certain land to the State of Oklahoma for the use and benefit of the Eastern Oklahoma Agricultural and Mechanical College at Wilburton, Okla., and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 4, line 1, strike out all after "SEC. 2." down to and including "otherwise" in line 5 and insert "The conveyance authorized by this act shall be conditional upon the State of Oklahoma agreeing to pay to the Secretary of the Interior, in return for the lands conveyed, an amount equal to the appraised fair market value of such lands."

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

SALE OF CERTAIN LAND IN ALASKA TO LLOYD H. TURNER

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2015) to authorize the sale of certain land in Alaska to Lloyd H. Turner, of Wards Cove, Alaska, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 15, strike out all after "laws" down to and including "permits" in line 19 and insert ": *Provided further*, That the coal and other mineral deposits in the land shall be reserved to the United States, together with the right to prospect for, mine, and remove the same under applicable laws and regulations to be prescribed by the Secretary of the Interior."

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

SALE OF CERTAIN PUBLIC LANDS IN ALASKA TO THE ALASKA COUNCIL OF BOY SCOUTS OF AMERICA

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2012) to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for a campsite and other public purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 3, strike out lines 9 to 16, inclusive, and insert:

"SEC. 2. Such conveyance shall be subject to the terms and conditions provided for the sale of public lands to a nonprofit corporation or nonprofit association under the act of June 4, 1954 (Public Law 387, 83d Cong., 2d sess.): *Provided*, That the conveyance hereby authorized shall not include any land covered by a valid existing right initiated under the public land laws, or a valid possessory right based upon section 8 of the act of May 17, 1884 (23 Stat. 24), section 14 of the act of March 3, 1891 (26 Stat. 1095), or section 27 of the act of June 6, 1900 (31 Stat. 321; 48 U. S. C., sec. 356): *Provided further*, That notwithstanding any of the provisions of this act, the Secretary shall convey the lands to the Alaska Council of Boy Scouts of America only if the organization pays the price fixed by the Secretary within 5 years after notification by the Secretary of the price."

general manner to cover this particular thing.

By putting the specific deadline of January 1, 1955, we have definitely limited the operation of the bill to this monument alone, because the bill states that the project using the granite must be the result of a Federal law for specific monuments on Federal property only. There is no other law on the books or pending before Congress for the erection of any other monument on Federal property, and so January 1 is a very safe date and is much easier for the Treasury Department to administer because it comes at the end of a calendar and statistical year.

The bill cannot apply to any but the Iwo Jima monument and does not need any changes to accomplish that purpose.

Mr. HUMPHREY. Mr. President, will the Senator from Pennsylvania yield?

Mr. MARTIN. I yield.

Mr. HUMPHREY. With that legislative history, there is now no difficulty as to the removal of the duty on the granite which will be imported. The removal of the tariff duty is for this one particular monument which has been described by the Senator from Pennsylvania. It will not permit the general movement of granite into the country up until January 1 for other purposes; is that correct?

Mr. MARTIN. The Senator is absolutely correct. The monument must be erected on Federal property.

Mr. HUMPHREY. In this instance, it is for the Iwo Jima monument specifically.

Mr. MARTIN. That is correct. The Senator will recall that it is a monument representing a group of marines raising the flag on the island of Iwo Jima.

Mr. HUMPHREY. I think it is a most worthy enterprise. As I said to the Senator from Pennsylvania, there had been a request from my State because we are very proud of our black granite in Minnesota, and we make note of the fact that it was used in the Jefferson Memorial. Of course, we are always happy to have our granite used in any memorial which may be constructed in this country.

The PRESIDING OFFICER. Does the Chair correctly understand that either of the Senators is asking unanimous consent to withdraw the motion which was made last night?

Mr. HUMPHREY. I ask unanimous consent to withdraw the motion.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. Mr. President, we are all appreciative of the many marines who have contributed to make this monument possible.

Mr. MARTIN. Mr. President, I thank the Senator from Minnesota for his cooperation.

Mr. HUMPHREY. It is always a pleasure to work with the Senator from Pennsylvania.

COMPENSATION OF HOLDERS OF CONTRACTS FOR PERFORMANCE OF MAIL-MESSENGER SERVICE

The PRESIDING OFFICER (Mr. REYNOLDS in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 2263) to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. CARLSON. Mr. President, I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CARLSON, Mr. DUFF, and Mr. JOHNSTON of South Carolina conferees on the part of the Senate.

OBSERVANCE OF PHILIPPINE-AMERICAN DAY

Mr. LEHMAN. Mr. President, today marks 55 years of close association between the United States and our great friend and ally, the Philippine Republic. I have prepared a statement with regard to this very important, historic day which we are now observing. I ask unanimous consent that it be printed at this point in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LEHMAN

Today throughout the length and breadth of the Philippine Republic Philippine-American Day is being observed. The President of the Philippines, Mr. Ramon Magsaysay, is leading his 20 million countrymen in tribute to the 55 years of association which witnessed the United States come to the Philippines as a conqueror, remain as an educator, and leave as a liberator.

In 1898 and 1899 American forces landed in Manila, having reduced the Spanish garrison there. At that time the Filipino people, who had been fighting for their independence against Spain, turned against us when it was ascertained that we came at that time not as liberators but as occupiers.

The American forces pacified the Filipino insurgents—the rebels of that day. That is to say, we overcame them by force. That was the day when President William McKinley decided that it was the "manifest destiny" of the United States to become a colonial power and to bear our share of what Rudyard Kipling described as the "white man's burden."

That semi-imperialist concept did not reflect the spirit of the American people. Only a decade thereafter, with the election of Woodrow Wilson as President of the United States, a pledge of eventual independence was given to the Filipino people. That pledge was redeemed under the next Democratic President of the United States, Franklin D. Roosevelt, with the passage of the Tydings-McDuffie Act in 1934. That pledge was fulfilled on July 4, 1946, when the American flag—the flag of American sovereignty—was hauled down and the red, white, blue, and yellow flag of the Philippine Republic was raised in its place.

But from the very beginning of the occupation of the Philippines the American spirit was reflected in a policy which first startled and then won the hearts of the Filipino people.

Within weeks after the American flag had been raised in the Philippines an American ship arrived in Manila Harbor loaded, not with troops or supplies but with schoolteachers, sent to man, not barricades but schools which were newly established in every part and section of the Philippine Islands; and William Howard Taft, who as Governor General called the Filipinos "our little brown brothers," laid the groundwork for an intimate relationship between the American and Filipino people which was to grow warmer and closer with the passage of the years. Although the policy of that period was imperialistic, it was warm, benevolent, and enlightened.

For many years August 13 was observed in the Philippines as Occupation Day. It celebrated the arrival of the American forces. This year it was proclaimed by President Magsaysay as Philippine-American Day. A free and sovereign country does not observe or celebrate the anniversary of its occupation by a foreign power, however benign and beneficent. But we Americans may take real pride in the fact that this date has not been forgotten by the Filipino people or by their leaders. Instead, it has been converted into a day for the celebration of Philippine-American amity, for the observance of the common traditions and common values which both the Filipino and the American people hold and cherish.

I trust, on our part, in taking note of this day we in the Senate and in the country at large will resolve never to forget the special relationship we have with the Filipino people and with the Philippine Republic, a relationship as close as that which we have with any other nation of the world. We must never forget Bataan and Corregidor and the battles which the Filipino people fought for our cause, for the restoration of American sovereignty, even after the American flag had been hauled down in defeat.

I hope I may be speaking for the entire Senate in extending to President Magsaysay, of the Philippine Republic, and to the Filipino people the heartfelt regards and affectionate good wishes of the Senate of the United States.

SOCIAL SECURITY AMENDMENTS OF 1954

The Senate resumed the consideration of the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code, so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLIKIN. Mr. President, H. R. 9366, as amended by the Committee on Finance, is designed to improve the old-age and survivors insurance system—the system which President Eisenhower has called "the cornerstone of the Government's programs to promote the economic security of the individual."

In his message to Congress of January 14, 1954, the President recommended the expansion and improvement of old-age and survivors insurance and the preservation of the basic principles of the system. He cited two principles as the most important. These are:

First. The contributory aspect of the system under which the worker and his employer make payments during the years of active work, and

Second. The benefits received are related in part to the individual's earnings.

The provisions of the pending bill follow the President's recommendations.

Contributory social insurance continues to be basic in our governmental system for affording protection against the economic hazards resulting from old age and premature death. In my opinion, it is in the public interest for us to expand and improve the existing program which has been in operation since 1937.

Currently about 6½ million individuals—more than 5 million of whom are past 65 years of age—are on the benefit rolls. Studies conducted by the Bureau of Old-Age and Survivors Insurance indicate that a vast majority of the beneficiaries depend upon their monthly old-age and survivors insurance benefits to meet their day-by-day living expenses. If it were not for the contributory social insurance system, many of these beneficiaries would have to turn to public assistance for at least part of their bread and butter, shelter, and health needs.

In 1950 when I supported the 1950 Social Security Act amendments, I said:

> History shows that as a nation becomes predominantly industrial, less and less security for more and more people is to be found in the cellar. The close ties of most people in less complicated agrarian economies with the protection and sustaining power of the land are severed and security must be found in the pay envelope, in the ability of the worker to buy his security from that which is in his pay envelope, and which by the nature of his employment in industrial areas cannot be found in the cellar.
>
> Perfectionist theories for preserving individual security are shattered as to millions of people away from the land, due to the preventable and unpreventable disasters to payrolls caused by cyclical swings and numerous types of maladjustment in the economy, and often due to plain human frailty or catastrophic personal tragedies—all beyond the cure of lectures and stern admonitions by our Spartanists. The wide-scale junking of workers in mass-production industries even before middle age has been reached may prove too much even for the most rugged of the rugged individualists.

There are several principal reasons which justify our support of the contributory social insurance system. The reasons include:

Benefits are provided as a matter of right without a means test—a test which I have always disliked.

The cost is met by the production of the worker and his employer through the payroll tax or, if he is self-employed, the self-employment tax, and thus assuring a continuing interest in the program on the part of management, labor, and the general public.

The enactment of H. R. 9366 would improve old-age and survivors insurance so that in most respects the system would afford the protection recommended by the Advisory Council on Social Security to the Committee on Finance, appointed in 1947 pursuant to a Senate resolution adopted by the 80th Congress. This resolution was sponsored jointly by the senior Senator from Georgia and by the junior Senator from Colorado, and it directed the Senate Finance Committee "to make a full and complete investigation of old-age and survivors insurance and all other aspects of the existing social-security system particularly in respect to coverage, benefits, and taxes relative thereof."

The Council consisted of 17 men and women of high standing, broad experience, and especially qualified to protect the interests of the worker, employer, and the public. The late Edward R. Stettinius, Jr., then rector of the University of Virginia and formerly Secretary of State, was the chairman, and Dr. Sumner H. Slichter, Lamont University professor, was the cochairman.

The findings and recommendations of the Advisory Council were very helpful to your committee in formulating the 1950 Social Security Act amendments. Again this year, in determining policy decisions before the committee, in connection with the pending bill, the findings of the Council were taken into consideration. I am happy to state that the pending bill, along with the 1950 social security amendments, would carry out nearly all the recommendations made by the Council regarding old-age and survivors insurance. The major omission in the bill, when measured against the old-age insurance program recommended by the Council, relates to coverage.

Farm operators and the self-employed members of the professions excluded under present law would not be covered by H. R. 9366. In considering the extension of coverage to additional groups, your committee was guided by both the administrative feasibility of coverage and the wishes of the members of these groups as expressed by their spokesmen in testimony before the committee. Your committee found that there was a division of opinion among farm operators and the professional self-employed.

In the interest of securing as broad coverage as possible under the program, consideration was given to the possibility of allowing individuals working in such occupations to elect coverage on a voluntary basis. In this way the problem of diverse opinion on entrance into the program could have been resolved. Your committee concluded, however, that extension of coverage on an individual voluntary basis involved grave dangers with respect to the financing of the system, as well as discrimination against the great majority of workers covered under the program on a compulsory basis. Therefore when the committee found that substantial agreement did not exist among representatives of farmers and self-employed professionals as to whether they desired to be covered, the committee concluded that it would be wiser to continue the exclusion of these groups rather than allow the election of coverage as to individuals.

The old-age and survivors insurance system contains benefit provisions which allow for the payment of benefits in individual cases that are considerably in excess of the value of the contributions paid. Thus workers retiring in the early years after their coverage under the program started are permitted to draw full-rate benefits on the basis of a short period of work and contributions. Also, the survivors' insurance protection to individuals with large families is especially valuable. These provisions are necessary to the effective fulfillment of the purposes of the system in preventing dependency. They would, however, make the program vulnerable to adverse selection if coverage were to be made available on the basis of individual choice. Those who would elect coverage under a voluntary option are primarily those who could expect the largest return for a relatively small contribution. The deficit in their contributions would have to be made up by increasing the contribution rate for the covered groups as a whole. The result would be that those who are compulsorily covered along with their employers would have to bear a large part of the cost of the difference between what the select group pays and what it receives.

Your committee is convinced that the compulsory character of the system must be preserved, and that in the absence of overriding considerations of a special character, as is present in the case of members of the clergy, any extension of coverage must be on a mandatory basis with respect to individuals.

There are many provisions in the pending bill which I should like to discuss in detail and emphasize their importance for the economic security of American families. However, in order to conserve time, and as each Member of the Senate has not only been furnished the committee report—No. 1987—which consists of 183 pages, but also a document entitled "Major Differences in the Present Social Security Law and H. R. 9366 as Reported by the Committee on Finance," I shall summarize the principal provisions in the bill.

The provisions relating to old-age and survivors insurance would broaden coverage, bring benefits more in line with present-day price and wage levels, prevent reduction in benefits for workers who because of total disability cannot continue to work, and liberalize the existing retirement test so as to allow beneficiaries greater freedom to accept part-time or seasonal employment.

In summary the principal old-age and survivors' insurance provisions are:

First. Extension of coverage: Old-age and survivors' insurance coverage would be afforded to approximately 7 million persons who work during the course of a year in jobs now excluded from the program. The groups brought into the program under the bill are as follows:

(a) Employees of State and local governments who are covered by State and local retirement systems, other than policemen and firemen, under voluntary agreements between the State and the Federal Government, if a majority of the members of the system vote in a referendum in favor of coverage. There are about 3.5 million of those persons.

(b) Farmworkers who are paid at least $50 in cash wages by one employer in a calendar quarter. There are about 2.6 million of those persons.

(c) Domestic workers in private homes (and others who perform work

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FRINGE EMPLOYMENT BENEFITS FOR EMPLOYEES OF THE FEDERAL GOVERNMENT

August 16, 1954.—Ordered to be printed

Mr. Rees of Kansas, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 2263]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2263) to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

TITLE I—AMENDMENTS TO CLASSIFICATION ACT OF 1949

NUMBER OF POSITIONS IN GRADES 16, 17, AND 18 OF THE GENERAL SCHEDULE

Sec. 101. (a) Section 505 of the Classification Act of 1949, as amended, is amended to read as follows:

"Sec. 505. (a) No position shall be placed in grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission.

"(b) No position shall be placed in or removed from grade 18 of the General Schedule except by the President upon recommendation of the Commission.

"(c) At any one time there shall not be more than four hundred positions in grade 16 of the General Schedule, not more than one hundred and

fifteen positions in grade 17 of the General Schedule, and not more than thirty-five positions in grade 18 of the General Schedule.

"(d) Positions that may be established under the proviso of section 203 (b) (1) of the Act of August 2, 1946 (60 Stat. 836), may be in addition to those authorized by the foregoing provisions of this section."

(b) The amendment made by subsection (a) shall not affect positions allocated to grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended, pursuant to provisions of law (other than the Classification Act of 1949, as amended) and reorganization plans in effect prior to the effective date of this section.

LONGEVITY STEP-INCREASES

SEC. 102. (a) (1) Subsection (a) of section 703 of the Classification Act of 1949, as amended, is amended by striking out the words "change of grade or rate of basic compensation except such change as may be prescribed by any provision of law of general application" and inserting in lieu thereof the words "increase in grade or rate of basic compensation except such increase as may be prescribed by any provision of law of general application".

(2) Subsection (b) (1) of section 703 of the Classification Act of 1949, as amended, is amended to read as follows:

"(b) (1) No officer or employee shall be entitled to a longevity step-increase while holding a position in any grade above grade 15 of the General Schedule."

(b) The amendments made by subsection (a) shall become effective at the beginning of the first pay period following the date of enactment of this Act.

SEC. 103. (a) Section 704 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 704. In the case of officers and employees in grades 11 to 15, inclusive, of the General Schedule who are receiving compensation at or above the maximum scheduled rates for their respective grades on the date immediately preceding the effective date of this amendatory section, not to exceed three years of service performed immediately preceding such effective date shall be counted toward longevity step-increases under section 703. Notwithstanding subsection (b) (4) of section 703, longevity step-increases for grade 15 of the General Schedule shall be $200."

(b) The amendment made by subsection (a) shall become effective at the beginning of the first pay period following the date of enactment of this Act.

RECRUITMENT ABOVE THE MINIMUM RATE OF THE CLASS

SEC. 104. Section 803 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 803. (a) Whenever the Commission shall find (1) that a sufficient number of qualified eligibles for positions in a given class cannot be secured in one or more areas or locations at the existing minimum rate for such class, and (2) that there is a possibility that a sufficient number of such eligibles can be secured by increasing the minimum rate for such class in such areas or locations to one of the higher rates within the grade in which such class is placed, the Commission may establish such higher rate as the minimum rate for that class in each area or location concerned.

"(b) Minimum rates established under subsection (a) may be revised from time to time by the Commission. Such actions or revisions shall have the force and effect of law.

"(c) Any increase in rate of basic compensation resulting from the establishment of minimum rates under this section shall not be regarded as an 'equivalent increase' in compensation within the meaning of section 701 (a)."

EXCLUSION FROM CLASSIFICATION ACT OF 1949 OF CRAFTS, TRADES, AND LABOR POSITIONS AND APPLICATION OF PREVAILING WAGE POLICY TO SUCH POSITIONS

SEC. 105. (a) Paragraph (7) of section 202 of the Classification Act of 1949, as amended, is amended to read as follows:

"(7) employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor occupations, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and knowledge as the paramount requirement, and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experience, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine operations: Provided, That the compensation of such employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates: Provided further, That whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees shall be subject to the provisions of this Act which are applicable to positions of equivalent difficulty or responsibility."

(b) Section 204 (c) of the Classification Act of 1949, as amended, is amended to read as follows:

"(c) Section 202 (except paragraph (7) thereof) and section 203 shall not apply to the Office of the Architect of the Capitol."

TRANSFER OF CERTAIN POSITIONS FROM THE CRAFTS, PROTECTIVE, AND CUSTODIAL SCHEDULE TO THE GENERAL SCHEDULE

SEC. 106. (a) Not earlier than the first day of the second pay period which begins after the date of enactment of this Act, and not later than the first day of the first pay period which begins more than six months after the date of enactment of this Act, all positions in the Crafts, Protective, and Custodial Schedule of the Classification Act of 1949, as amended, not excluded from such Act by section 202 (7) thereof, as amended by section 105 of this title, shall be placed in corresponding grades of the General Schedule as set forth below:

Grade of the Crafts, Protective and Custodial Schedule	*Corresponding new grade of the General Schedule*
1	1
2	1
3	1
4	2
5	3
6	4
7	5
8	6
9	7
10	8

(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows:

(1) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule which is less than the minimum scheduled rate of that grade in the General Schedule in which his position is placed, his compensation shall be increased to such minimum rate;

(2) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule which is equal to one of the scheduled or longevity rates of that grade in the General Schedule in which his position is placed, he shall receive a rate of basic compensation at such scheduled or longevity rate;

(3) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule at a rate between two scheduled or two longevity rates, or between a scheduled rate and a longevity rate, of that grade in the General Schedule in which his position is placed, he shall receive a rate of basic compensation at the higher of such two rates;

(4) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule in excess of the maximum longevity rate of that grade in the General Schedule in which his position is placed, he shall continue to receive basic compensation without change in rate until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant the rate of basic compensation of any subsequent appointee shall be fixed in accordance with such Act, as amended.

(c) The conversion to grades of the General Schedule of positions covered by this section, and the initial adjustments in compensation as prescribed herein, shall not be construed to be transfers or promotions within the meaning of section 802 (b) of the Classification Act of 1949, as amended, and the regulations issued thereunder.

ABOLISHMENT OF CRAFTS, PROTECTIVE, AND CUSTODIAL SCHEDULE

SEC. 107. Section 601 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 601. There is hereby established for positions to which this Act applies a basic compensation schedule, to be known as the 'General Schedule', the symbol for which shall be 'GS'."

SEC. 108. (a) Section 602 of the Classification Act of 1949, as amended, is amended by striking out "(a)" after "SEC. 602.".

(b) Subsection (b) of such section 602 is hereby repealed.

SEC. 109. (a) Subsection (a) of section 603 of the Classification Act of 1949, as amended, is amended to read as follows:

"(a) The rates of basic compensation with respect to officers, employees, and positions to which this Act applies shall be in accordance with the compensation schedule contained in subsection (b)."

(b) Subsection (c) of such section 603 is hereby repealed.

(c) Subsection (d) of such section 603 is amended to read as follows:

"(c) Whenever payment is made on the basis of a daily, hourly, weekly, biweekly, or monthly rate, such rate shall be computed from the appropriate annual rate specified in subsection (b) by the method prescribed in section 604 (d) of the Federal Employees Pay Act of 1945, as amended."

SEC. 110. (a) Section 105 of this title shall take effect on the date or dates specified by the head of a department, but not earlier than the first

day of the second pay period which begins after the date of enactment of this Act, and not later than the first day of the first pay period which begins more than twelve months after the date of enactment of this Act, with respect to each employee and position in such department within the purview of such section 105.

(b) Sections 107, 108, and 109 of this title shall take effect, with respect to employees and positions in a department, upon the completion of the actions required by sections 105 and 106 of this title to be taken with respect to such employees and positions, but in no event later than the first day of the first pay period which begins more than twelve months after the date of enactment of this Act.

MISCELLANEOUS PROVISIONS

SEC. 111. Section 604 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 604. Employees receiving basic compensation at a rate authorized by law, immediately prior to the effective date of this title, in excess of the appropriate new rate of the grade as determined under paragraphs (1) to (10), inclusive, of section 604 (b) of this Act, as in effect prior to the date of enactment of this amended section, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this Act."

SEC. 112. Sections 703 (c) and 802 (b) of the Classification Act of 1949, as amended, are amended by striking out "section 604 (b) (11)" and inserting in lieu thereof "section 604".

SEC. 113. The Civil Service Commission is hereby authorized to issue such regulations as may be necessary for the administration of this title.

SEC. 114. Nothing contained in this title shall be construed to decrease the existing rate of basic compensation of any present employee, but when his position becomes vacant any subsequent appointee to such position shall be compensated in accordance with the scale of pay applicable to such position.

SEC. 115. The term "department" shall have the same meaning in this title as when used in the Classification Act of 1949, as amended.

TITLE II—AMENDMENTS TO THE FEDERAL EMPLOYEES PAY ACT OF 1945, AS AMENDED

SEC. 201. This title may be cited as the "Federal Employees Pay Act Amendments of 1954".

SEC. 202. (a) Subsection (a) of section 101 of the Federal Employees Pay Act of 1945, as amended, is amended by striking out "titles II and III" and inserting in lieu thereof "titles II, III, and IV".

(b) Subsection (b) of such section 101 is hereby repealed.

COMPENSATION FOR OVERTIME WORK

SEC. 203. Section 201 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"SEC. 201. All hours of work officially ordered or approved in excess of forty hours in any administrative workweek performed by officers and

employees to whom this title applies shall be considered to be overtime work and compensation for such overtime work, except as otherwise provided for in this Act, shall be at the following rates:

"(1) For each officer and employee whose basic compensation is at a rate which does not exceed the minimum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to one and one-half times the hourly rate of basic compensation of such officer or employee, and all of such amount shall be considered premium compensation.

"(2) For each officer and employee whose basic compensation is at a rate which exceeds the minimum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to one and one-half times the hourly rate of such minimum scheduled rate of basic compensation, and all of such amount shall be considered premium compensation."

Sec. 204. Section 202 (a) of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"Sec. 202. (a) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, or of the municipal government of the District of Columbia, or the head of any legislative or judicial agency to which this title applies, (1) may, at the request of any officer or employee, grant such officer or employee compensatory time off from his scheduled tour of duty in lieu of payment for an equal amount of time spent in irregular or occasional overtime work, and (2) may, at his own discretion, provide that any officer or employee, whose rate of basic compensation is in excess of the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, shall be compensated for irregular or occasional overtime work for which compensation would be due under this Act with an equal amount of compensatory time off from his scheduled tour of duty in lieu of such compensation."

Sec. 205. (a) Section 203 of the Federal Employees Pay Act of 1945, as amended, is redesignated as section 205, and wherever such section number appears in such Act or in any other provision of law it is amended to conform to the redesignation prescribed by this subsection.

(b) The Federal Employees Pay Act of 1945, as amended, is amended by inserting after section 202 thereof the following new sections:

"CALL-BACK OVERTIME

"Sec. 203. For the purposes of this Act, any unscheduled overtime work performed by any officer or employee on a day when no work was scheduled for him, or for which he is required to return to his place of employment, shall be considered to be at least two hours in duration.

"TIME IN TRAVEL STATUS

"Sec. 204. For the purposes of this Act, time spent in a travel status away from the official-duty station of any officer or employee shall be considered as hours of employment only when (1) within the days and hours of such officer's or employee's regularly scheduled administrative workweek, including regularly scheduled overtime hours, or (2) when the travel involves the performance of work while traveling or is carried out under arduous conditions."

COMPENSATION FOR NIGHT AND HOLIDAY WORK

Sec. 206. Section 301 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"Sec. 301. (a) Any regularly scheduled work between the hours of six o'clock postmeridian and six o'clock antemeridian (including periods of absence with pay during such hours due to holidays, and any such hours within periods of leave with pay if such periods total less than eight hours during any pay period) shall be considered nightwork, except as provided in subsection (b), and any officer or employee performing such work to whom this title applies shall be compensated for such work at his rate of basic compensation plus premium compensation amounting to 10 per centum of such rate, unless otherwise provided in title IV of this Act. This section shall not operate to modify the provisions of the Act of July 1, 1944 (Public Law Numbered 394, Seventy-eighth Congress), or any other law authorizing additional compensation for nightwork.

"(b) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, may designate any time after six o'clock postmeridian and any time before six o'clock antemeridian as the beginning and end, respectively, of nightwork for the purpose of subsection (a) at any post outside the several States and the District of Columbia where customary hours of business extend into the hours of nightwork provided by such subsection."

Sec. 207. Section 302 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"Sec. 302. (a) All work not exceeding eight hours, which is not overtime work as defined in section 201 of this Act and which is performed on a holiday designated by Federal statute or Executive order, shall be compensated at the rate of basic compensation of the officer or employee performing such work on a holiday plus premium compensation at a rate equal to the rate of basic compensation of such officer or employee.

"(b) Any officer or employee who is required to perform any work on such a holiday shall be compensated for at least two hours of such work, and any such premium compensation due under the provisions of this section shall be in addition to any premium compensation which may be due for the same work under the provisions of section 301 of this Act providing premium compensation for nightwork.

"(c) Overtime work, as defined in section 201 of this Act, on Sundays and such holidays shall be compensated in accordance with the provisions of such section 201."

SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK

Sec. 208. (a) The Federal Employees Pay Act of 1945, as amended, is amended by inserting after title III thereof a new title to read as follows:

"TITLE IV—SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK

"Sec. 401. The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, or of the municipal government of the District of Columbia may, with the approval of the Civil Service Commission, provide that—

"(1) any officer or employee in a position requiring him regularly to remain at, or within the confines of, his station during longer than

ordinary periods of duty, a substantial part of which consists of remaining in a standby status rather than performing work, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this Act. Premium compensation under this paragraph shall be determined as an appropriate percentage (not in excess of 25 per centum) of such part of the rate of basic compensation for any such position as does not exceed the minimum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, by taking into consideration the number of hours of actual work required in such position, the number of hours required in a standby status at or within the confines of the station, the extent to which the duties of such position are made more onerous by night or holiday work, or by being extended over periods of more than forty hours a week, and any other relative factors; or

"(2) any officer or employee in a position in which the hours of duty cannot be controlled administratively, and which requires substantial amounts of irregular, unscheduled, overtime duty and duty at night and on holidays with the officer or employee generally being responsible for recognizing, without supervision, circumstances which require him to remain on duty, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this Act, except for regularly scheduled overtime duty. Premium compensation under this paragraph shall be determined as an appropriate percentage (not in excess of 15 per centum) of such part of the rate of basic compensation for any such position as does not exceed the minimum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, by taking into consideration the frequency and duration of night, holiday, and unscheduled overtime duty required in such position."

(b) Nothing contained in this section shall be construed to decrease the existing aggregate rate of compensation of any present employee, but when the position of such employee becomes vacant any subsequent appointee thereto shall receive premium compensation provided for such position in accordance with this section.

LIMITATION ON PREMIUM COMPENSATION

Sec. 209. Section 603 of the Federal Employees Pay Act of 1945, as amended, and the heading immediately preceding such section are amended to read as follows:

"LIMITATION ON PREMIUM COMPENSATION

"Sec. 603. (a) No premium compensation provided by this Act shall be paid to any officer or employee whose rate of basic compensation equals or exceeds the maximum scheduled rate of basic compensation provided for grade GS–15 in the Classification Act of 1949, as amended.

"(b) In the case of any officer or employee whose rate of basic compensation is less than the maximum scheduled rate of basic compensation provided for grade GS–15 in the Classification Act of 1949, as amended, such premium compensation may be paid only to the extent that such payment would not cause his aggregate rate of compensation to exceed such maximum scheduled rate with respect to any pay period."

WORK SCHEDULES

SEC. 210. (a) The heading immediately preceding section 604 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"ESTABLISHMENT OF BASIC WORKWEEK; WORK SCHEDULES; PAY COMPUTATION METHODS"

(b) Section 604 (a) of the Federal Employees Pay Act of 1945, as amended, is amended by inserting "(1)" after "(a)" and by adding at the end thereof a new paragraph as follows:

"(2) Except where the head of each such department, establishment, or agency and of the municipal government of the District of Columbia determines that his organization would be seriously handicapped in carrying out its functions or that costs would be substantially increased, he shall provide, with respect to all officers and employees in his organization, (A) that assignments to tours of duty shall be scheduled in advance over periods of not less than one week, (B) that the basic forty-hour workweek shall be scheduled on five days, which shall be Monday through Friday wherever possible, and the two days outside the basic workweek shall be consecutive, (C) that the working hours in each day in the basic workweek shall be the same, (D) that the basic nonovertime workday shall not exceed eight hours, (E) that the occurrence of holidays shall not affect the designation of the basic workweek, and (F) that breaks in working hours of more than one hour shall not be scheduled in any basic workday."

SEC. 211. This title shall become effective at the beginning of the first pay period which begins more than sixty days after the date of enactment of this Act.

TITLE III—GOVERNMENT EMPLOYEES' INCENTIVE AWARDS

SEC. 301. This title may be cited as the "Government Employees' Incentive Awards Act".

SEC. 302. The departmental awards program set forth in this title shall be carried out under such regulations and instructions as may be issued by the United States Civil Service Commission which shall annually report the results of the program, with related recommendations, to the President for transmittal to the Congress.

SEC. 303. As used in this title, the term "department" means an executive department or independent agency in the executive branch of the Government, including a Government-owned or controlled corporation (but not including the Tennessee Valley Authority), and also includes (a) the Administrative Office of the United States Courts, (b) the Library of Congress, (c) the Botanic Garden, (d) the Government Printing Office, (e) the Office of the Architect of the Capitol, and (f) the municipal government of the District of Columbia.

SEC. 304. (a) The head of each department is authorized to pay cash awards to, and to incur necessary expenses for the honorary recognition of, civilian officers and employees of the Government who by their suggestions, inventions, superior accomplishments, or other personal efforts contribute to the efficiency, economy, or other improvement of Government

operations or who perform special acts or services in the public interest in connection with or related to their official employment.

(b) In instances determined by the President to warrant such action, he is authorized to pay cash awards to, and to incur necessary expenses for the honorary recognition of, civilian officers and employees of the Government who by their suggestions, inventions, superior accomplishments, or other personal efforts contribute to the efficiency, economy, or other improvement of Government operations, or who perform exceptionally meritorious special acts or services in the public interest in connection with or related to their official employment, and any such Presidential awards may be in addition to the departmental awards authorized in subsection (a) of this section.

(c) Awards under this section may be paid notwithstanding the death or separation from the service of the officer or employee concerned: Provided, That the suggestions, inventions, superior accomplishments, other personal efforts, or special acts or services in the public interest forming the basis for the awards are made or rendered while the officer or employee is in the employ of the Government.

(d) A cash award under this section shall be in addition to the regular compensation of the recipient and the acceptance of such cash award shall constitute an agreement that the use by the Government of the United States or the municipal government of the District of Columbia of any idea, method or device for which the award is made shall not form the basis of a further claim of any nature upon the Government of the United States or the municipal government of the District of Columbia by the employee, his heirs, or assigns.

(e) Awards to employees and expenses for the honorary recognition of employees may be paid from the funds or appropriations available to the activity primarily benefiting or may be paid from the several funds or appropriations of the various activities benefiting as may be determined by the President for awards under subsection (b) of this section, and by the head of the department concerned for awards under subsection (a) of this section.

(f) An award under this title shall be given due weight in qualifying and selecting employees for promotion.

(g) A monetary award granted under this title shall not exceed $5,000, except that an award in excess of such amount but not in excess of $25,000 may be granted, with the approval of the Commission, in special cases in which the head of a department certifies to the Commission that the suggestion, invention, superior accomplishment, or other meritorious effort for which such award is proposed to be made is highly exceptional and unusually outstanding.

Sec. 305. The following laws and parts of laws are hereby repealed:

(a) Sections 702, 1002, and 1003 of the Classification Act of 1949 (63 Stat. 954; 5 U. S. C. 1122, 1152, 1153).

(b) Section 14 of the Act entitled "An Act to authorize certain administrative expenses in the Government service, and for other purposes", approved August 2, 1946 (60 Stat. 809; 5 U. S. C. 116a).

(c) The Act entitled "An Act authorizing payments of rewards to postal employees for inventions", approved December 3, 1945 (59 Stat. 591; 39 U. S. C. 813).

(d) The Act entitled "An Act authorizing the Secretary of War to pay a cash award for suggestions submitted by employees of certain establishments of the Ordnance Department for improvement or economy in

manufacturing process or plant", approved July 17, 1912 (37 Stat. 193; 50 U. S. C. 58).

(e) The Act entitled "An Act to provide equitable compensation for useful suggestions or inventions by personnel of the Department of the Interior", approved June 26, 1944 (58 Stat. 360; 5 U. S. C. 500).

(f) Subsections (a) and (b) of section 35 of the Act entitled "An Act to enact certain provisions now included in the Naval Appropriation Act, 1946, and for other purposes", approved August 2, 1946 (60 Stat. 857; 5 U. S. C. 416).

(g) The joint resolution entitled "Joint Resolution to provide cash awards to personnel of the Maritime Commission and the War Shipping Administration for useful suggestions to improve administration of their activities", approved March 13, 1944 (58 Stat. 115; 46 U. S. C. 1111b).

(h) All other laws or parts of laws inconsistent with this Act are hereby repealed to the extent of such inconsistency.

Sec. 306. The enactment of this title shall not affect the right of any employee to an award granted him under any provision of law repealed by this title.

Sec. 307. This title shall take effect on the ninetieth day after the date of its enactment.

TITLE IV—UNIFORM ALLOWANCES

Sec. 401. This title may be cited as the "Federal Employees Uniform Allowance Act".

Sec. 402. There is hereby authorized to be appropriated annually to each agency of the Government of the United States or of the District of Columbia (including Government-owned corporations), upon a showing of the necessity or desirability thereof, an amount not to exceed $100 multiplied by the number of the employees of such agency who are required by regulation existing on the date of enactment of this Act or by law to wear a prescribed uniform in the performance of his or her official duties and who are not being furnished with such uniform. The head of any agency to which any such appropriation is made shall, out of funds made available by such appropriation, (1) furnish to each such employee such uniform at a cost not to exceed $100 per annum, or (2) pay to each such employee an allowance for defraying the expenses of acquisition of such uniform at such times and in such amounts, not to exceed $100 per annum, as may be prescribed in accordance with rules and regulations promulgated pursuant to section 404. Where the furnishing of a uniform or the payment of a uniform allowance is authorized under any other provision of law or regulation existing on the date of enactment of this Act, the head of the agency may in his discretion continue the furnishing of such uniform or the payment of such allowance under such law or regulation, but where a uniform is furnished or allowance paid under any such law or regulation no uniform shall be furnished or allowance paid under this section.

Sec. 403. Allowances paid under this title shall not be considered as pay, salary, or compensation within the meaning of the Civil Service Retirement Act of May 29, 1930, as amended, or as wages within the meaning of section 209 of the Social Security Act, as amended, or chapters 21 and 24 of the Internal Revenue Code of 1954.

Sec. 404. The Director of the Bureau of the Budget is authorized and directed to promulgate such rules and regulations as may be necessary to provide for the uniform administration of this title.

TITLE V—ANNUAL LEAVE

Sec. 501. Clause (6) of section 2 of the Act of August 3, 1950, as amended by section 5 of the Act of July 2, 1953, is amended to read as follows: "(6) payment for all accumulated and current accrued annual or vacation leave equal to the compensation the decedent would have received had he remained in the service until the expiration of the period of such annual or vacation leave; except that such lump-sum payment shall not include compensation for any period of accumulated leave in excess of thirty days, plus current accrued leave, or in excess of the number of days of accumulated leave to which he is entitled on the date of separation (excluding accumulated leave earned in the 1954 leave year and thereafter), plus current accrued leave, whichever is the greater."

Sec. 502. Section 6 of the Act of July 2, 1953 (Public Law 102, Eighty-third Congress), is hereby repealed.

Sec. 503. Section 501 of this title shall take effect as of September 1, 1953.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. (a) Section 2 (b) of the Performance Rating Act of 1950 (5 U. S. C., sec. 2001) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following:

"(12) The Central Intelligence Agency."

(b) Section 9 of the Central Intelligence Agency Act of 1949, as amended (50 U. S. C., sec. 403i), is hereby repealed.

Sec. 602. (a) Subsection (a) of section 1310 of the Supplemental Appropriation Act, 1952 (Public Law 253, Eighty-second Congress), as amended, is amended to read as follows:

"(a) The Civil Service Commission and the heads of the executive departments, agencies, and corporations shall make full use of their authority to require that initial appointments to positions in and outside the competitive civil service shall be made on other than a permanent basis in order to prevent increases in the number of permanent personnel of the Federal Government in excess of 10 per centum above the total number of permanent employees on September 1, 1950: Provided, That any position vacated by a permanent employee called to military service or transferred to a national defense agency shall not be filled except on a temporary or indefinite basis. All appointments, reinstatements, transfers, and promotions to positions subject to the Classification Act of 1949 shall be made with the condition and notice to each individual appointed, reinstated, transferred, or promoted that the classification grade of the position is subject to post-audit and correction by the appropriate departmental or agency personnel office or the Civil Service Commission."

(b) Such section 1310 is further amended by adding at the end thereof the following new subsection:

"(e) This section does not and shall not be construed to amend or modify the Veterans' Preference Act of 1944 (Public Law 359, Seventy-eighth Congress), as amended."

Sec. 603. The Official Reporters of the proceedings and debates of the Senate and their employees shall be considered to be officers or employees in or under the legislative branch of the Government within the meaning of the provisions of section 2 (a) of the Federal Employees' Group Life Insurance Act of 1954.

Sec. 604. The Act entitled "An Act authorizing the employment of mail messengers in the postal service", approved March 3, 1887 (39

U. S. C., sec. 578), is amended by adding at the end thereof the following new paragraph:

"The Postmaster General may, in his discretion and under such regulations as he may prescribe, readjust the compensation of the holder of any contract for the performance of mail-messenger service on account of increased or decreased costs occasioned by changed conditions which could not reasonably have been anticipated at the time such contract was made."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment as follows:

In lieu of the amended title proposed by the Senate amendment, amend the title so as to read: "An Act to provide certain employment benefits for employees of the Federal Government, and for other purposes."

EDWARD H. REES,
JOEL T. BROYHILL,
TOM MURRAY,
Managers on the Part of the House.

FRANK CARLSON,
JAMES H. DUFF,
OLIN D. JOHNSTON,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2263) to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment strikes out all of the House bill after the enacting clause. The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment, and that the Senate agree to the same.

The House bill related only to the granting of authority to the Postmaster General to readjust the compensation of the holders of mail-messenger service contracts to reflect certain changes in operating costs. The Senate amendment (which does not contain any such provision) consists of six titles, as follows: Title I (containing amendments to the Classification Act of 1949), title II (containing amendments to the Federal Employees Pay Act of 1945), title III (providing for a program of incentive awards for Government employees), title IV (providing for uniform allowances for Government employees), title V (relating to annual leave of Government employees), and title VI (containing certain provisions relating to miscellaneous subjects).

The following statement discusses the provisions of the conference substitute and notes the similarities and differences between the conference substitute and the Senate amendment and the conference substitute and related provisions of S. 2665 as reported to the House by the Committee on Post Office and Civil Service of the House.

Title I—Amendments to Classification Act of 1949, as Amended

NUMBER OF POSITIONS IN GRADES 16, 17, AND 18 OF THE GENERAL SCHEDULE

Section 101 of the Senate amendment and section 103 of S. 2665, as reported to the House, relate to the number of positions authorized in grades 16, 17, and 18 of the general schedule of the Classification Act of 1949.

Subsection (a) of section 101 of the Senate amendment and subsection (a) of section 103 of S. 2665, as reported to the House, amend section 505 of the Classification Act of 1949, as amended. Such section 505 now provides that at any one time there shall not be more than 300 positions in grade GS–16, not more than 75 positions in grade GS–17, and not more than 25 positions in grade GS–18, making a total of 400 positions in these so-called supergrades. Such section 505, as amended by subsection (a) of section 101 of the Senate amendment, provides that at any one time there shall not be more than 400 posi-

tions in grade 16 of the general schedule, not more than 115 positions in grade 17 of the general schedule, and not more than 35 positions in grade 18 of the general schedule, making a total of 550 positions. Such section 505, as amended by subsection (a) of section 103 of S. 2665, as reported to the House, provides that at any one time there shall not be more than 396 positions in grade GS–16, not more than 123 positions in grade GS–17, and not more than 31 positions in grade GS–18, making a total of 550 positions. The conference substitute contains the provisions of the Senate amendment with respect to the number of positions in grades 16, 17, and 18 of the general schedule.

Both subsection (a) of section 101 of the Senate amendment and subsection (a) of section 103 of S. 2665, as reported to the House, continue the provisions of section 505 of the Classification Act of 1949 which require (1) that positions may be placed in grades GS–16 and GS–17 only by action of, or after prior approval by, the Civil Service Commission, and (2) that positions may be placed in or removed from grade GS–18 only by the President upon recommendation of the Civil Service Commission. The conference substitute also continues these provisions.

Such section 505, as amended by subsection (a) of section 101 of the Senate amendment, also provides that positions of senior specialists in the Legislative Reference Service of the Library of Congress which may be established under section 203 (b) (1) of the Legislative Reorganization Act of 1946 may be in addition to those authorized by the other provisions of section 505. No such provision is contained in S. 2665, as reported to the House. The conference substitute contains this provision of the Senate amendment.

Subsection (b) of section 101 of the conference substitute provides that the amendment made by subsection (a) shall not affect positions allocated to grades 16, 17, and 18 of the general schedule of the Classification Act of 1949, as amended, pursuant to provisions of law (other than such act) and reorganization plans in effect prior to the effective date of such section 101. The Senate amendment and S. 2665, as reported to the House, contain the same provision.

LONGEVITY STEP-INCREASES

Subsection (a) (1) of section 102 of the conference substitute amends subsection (a) of section 703 of the Classification Act of 1949, as amended, to provide that, if an employee who has earned credit toward the required 3-year longevity period at the maximum rate or a longevity rate of his grade is transferred to the maximum rate or a longevity rate of a lower grade, the credit earned by such employee in the higher grade shall apply toward a longevity step increase in the lower grade. Under such subsection (a) of section 703 of the Classification Act of 1949 as now in effect, an employee has to begin his 3-year longevity period over again when he is reduced in grade. Subsection (a) (1) of section 102 of the Senate amendment contains the same provision. There is no comparable provision in S. 2665, as reported to the House.

Subsection (a) (2) of section 102 of the conference substitute amends subsection (b) (1) of section 703 of the Classification Act of 1949, as amended, to provide that no officer or employee in a position in any grade above grade 15 of the general schedule shall be entitled to a

longevity step increase. Such section 703 (b) (1) now provides that no officer or employee in a position in any grade above grade 10 of the general schedule shall be entitled to a longevity step increase. Both subsection (a) (2) of section 102 of the Senate amendment and subsection (a) of section 104 of S. 2665, as reported to the House, contain this provision of the conference substitute.

Subsection (b) of section 102 of the conference substitute provides that the amendments made by subsection (a) shall take effect at the beginning of the first pay period after the date of enactment of the conference substitute. The Senate amendment and S. 2665, as reported to the House, contain the same effective date provisions.

Subsection (a) of section 103 of the conference substitute amends section 704 of the Classification Act of 1949, as amended. Such section 704, as so amended, provides that, in the case of employees in grades 11 to 15, inclusive, of the general schedule, not to exceed 3 years of service performed immediately prior to the effective date of the amendment at or above the maximum scheduled rates for their respective grades shall be counted toward longevity step increases. For grade GS–15, which has within-grade compensation steps of $250, longevity step increases are limited to $200. These same provisions are also contained in subsection (a) of section 103 of the Senate amendment and subsection (a) of section 105 of S. 2665, as reported to the House.

Subsection (b) of section 103 of the conference substitute provides that this amendment shall become effective at the beginning of the first pay period after the date of enactment of the conference substitute. The Senate amendment and S. 2665, as reported to the House, contain the same effective date provisions.

RECRUITMENT ABOVE THE MINIMUM RATE OF THE CLASS

Section 104 of the conference substitute amends section 803 of the Classification Act of 1949, as amended. Such section 803, as so amended, relates to the recruitment of employees at pay rates above the statutory minimum rate for a class of positions when authorized, under certain conditions, by the Civil Service Commission. Under section 801 of the Classification Act of 1949, each original appointment to any position under such act must be at the minimum per annum rate of the grade in which such position is classified. At times the inflexibility of this provision has constituted an impediment to the recruitment of a sufficient number of qualified eligibles to fill positions in a given class in certain areas.

Subsection (a) of section 803 of the Classification Act of 1949, as amended by section 104 of the conference substitute, provides that whenever the Civil Service Commission finds with respect to any area or location (1) that a sufficient number of qualified eligibles for positions in a given class cannot be secured at the existing minimum rate for such class, and (2) that there is a possibility of securing a sufficient number of such eligibles by increasing the minimum rate for such class of positions in such area or location, the Commission may establish one of the within-grade step rates above the statutory minimum rate of the appropriate grade for such class of positions as the minimum or entrance rate for such class of positions in such area or location.

Subsection (b) of section 803 of the Classification Act of 1949, as amended by section 104 of the conference substitute, authorizes the

Civil Service Commission to revise, from time to time, such higher minimum rates as it may establish under subsection (a). Subsection (b) also provides that such rates or any revisions thereof established under section 803 shall have the force and effect of law.

Subsection (c) of the amended section 803 provides that any increase in rate of basic compensation under section 803 shall not be regarded as an "equivalent increase" in compensation within the meaning of section 701 (a) of the Classification Act of 1949 (which relates to within-grade step increases).

These same provisions with respect to recruitment above the minimum rate of the class are also contained in section 104 of the Senate amendment and section 106 of S. 2665, as reported to the House.

EXCLUSION FROM CLASSIFICATION ACT OF 1949 OF CRAFTS, TRADES, AND LABOR POSITIONS AND APPLICATION OF PREVAILING WAGE POLICY TO SUCH POSITIONS

Subsection (a) of section 105 of the conference substitute amends paragraph (7) of section 202 of the Classification Act of 1949, as amended. Paragraph (7), as so amended, removes from the coverage of that Act employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor occupations, the duties of which involve the maintenance and operation of public buildings and associated equipment or the performance of work in scientific or engineering laboratories as assistants to scientists or engineers, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and knowledge as the paramount requirement. Paragraph (7), as so amended, also provides that the compensation of such employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates (as is the case with respect to other employees who come within the purview of this paragraph), except that where, in the opinion of the employing agency and the Civil Service Commission, it is impracticable to do so because of the small number of these employees in any given area, the rates of compensation for such employees in that particular area shall be fixed at rates of compensation prescribed in the Classification Act of 1949, as amended, for positions of equivalent difficulty or responsibility. The effective date of section 105 of the conference substitute is provided for in section 110 (a) of the conference substitute, which provides that section 105 shall take effect on the date or dates specified by the head of a department, but not earlier than the first day of the second pay period which begins after the date of enactment of the conference substitute, and not later than the first day of the first pay period which begins more than 12 months after the date of enactment of the conference substitute, with respect to each employee and position in such department within the purview of such section 105.

The change made by subsection (a) of section 105 of the conference substitute will affect about 69,000 crafts, trades, and manual-labor employees. Of this number, approximately 37,000 are employed by the Veterans' Administration and 16,000 in the General Services Administration, with others spread throughout a number of agencies.

Some of these employees will receive increased pay when they are moved to a prevailing-rate pay system. As provided in section 114 of the conference substitute, no employee will have his present pay reduced as a result of such change.

Both subsection (a) of section 105 of the Senate amendment and section 107 of S. 2665, as reported to the House, contain the above provisions.

Subsection (b) of section 105 of the conference substitute amends section 204 (c) of the Classification Act of 1949, as amended, to permit the Architect of the Capitol to compensate, on the basis of prevailing wage rates, those employees in crafts and labor occupations now compensated under the crafts, protective, and custodial schedule of the Classification Act of 1949. This provision is also contained in subsection (b) of section 105 of the Senate amendment but is not contained in S. 2665, as reported to the House.

TRANSFER OF CERTAIN POSITIONS FROM THE CRAFTS, PROTECTIVE, AND CUSTODIAL SCHEDULE TO THE GENERAL SCHEDULE

Subsection (a) of section 106 of the conference substitute directs the conversion from the crafts, protective, and custodial schedule to the general schedule of all positions which do not go to the prevailing-wage system by virtue of the amendment made by section 105 of the conference substitute to paragraph (7) of section 202 of the Classification Act of 1949. Such positions which are in grades CPC–1, 2, and 3 shall be placed in grade GS–1 and such positions which are in grades CPC–4, 5, 6, 7, 8, 9, and 10 shall be placed in grades GS–2, 3, 4, 5, 6, 7, and 8, respectively. No such action may be taken prior to the first day of the second pay period beginning after the date of enactment of the conference substitute nor later than the first day of the first pay period beginning more than 6 months after such date of enactment.

Subsection (b) of section 106 of the conference substitute prescribes the following rules by which the existing pay rates of employees under the crafts, protective, and custodial schedule are to be initially adjusted to the rates in the general schedule:

(1) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is less than the minimum scheduled rate of the grade in the general schedule in which his position is placed, shall have his compensation increased to such minimum rate;

(2) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is equal to one of the scheduled or longevity rates of the grade in the general schedule in which his position is placed, shall be paid at such scheduled or longevity rate;

(3) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is at a rate between 2 scheduled or 2 longevity rates, or between a scheduled rate and a longevity rate, of the grade in the general schedule in which his position is placed, shall be paid compensation at the higher of such 2 rates;

(4) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is in excess of the maximum longevity rate of the grade in the general schedule in which his position is placed, shall continue to be paid basic compensation without

any change in rate until he either leaves such position or is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant the rate of basic compensation of any subsequent appointee shall be fixed in accordance with the Classification Act of 1949, as amended.

Subsection (c) of section 106 of the conference substitute provides that the conversion of positions to grades of the general schedule under such section 106, and the initial adjustments in compensation prescribed in such section, shall not be construed to be transfers or promotions within the meaning of section 802 (b) of the Classification Act of 1949, as amended, and regulations issued thereunder.

The conversion prescribed in this section of the conference substitute will affect about 47,000 employees, mostly guards, messengers, and fire fighters, the majority of which are in the Department of Defense and General Services Administration. Most of these employees would receive small pay increases by conversion of their positions to the general schedule. Like the CPC workers who are moved to a prevailing-rate system, none would have his present pay reduced. Both section 106 of the Senate amendment and section 108 of S. 2665, as reported to the House, contain identical provisions with respect to the transfer to the general schedule of the above-mentioned positions in the crafts, protective, and custodial schedule.

ABOLISHMENT OF CRAFTS, PROTECTIVE, AND CUSTODIAL SCHEDULE

Sections 107, 108, and 109 of the conference substitute abolish the crafts, protective, and custodial schedule by making necessary revisions in the language of the Classification Act of 1949 to effect that action.

Section 107 deletes from section 601 of the Classification Act of 1949 reference to the crafts, protective, and custodial schedule.

Section 108 deletes from section 602 of the Classification Act of 1949 the grade-level definitions of the crafts, protective, and custodial schedule.

Section 109 deletes from section 603 of the Classification Act of 1949 the entire crafts, protective, and custodial schedule, incidental references to such schedule, and paragraph (c) (2) of such section relating to the rates of pay of charwomen and head charwomen.

Section 110 of the conference substitute relates to the dates on which sections 105, 107, 108, and 109 of the conference substitute shall become effective.

Subsection (a) of section 110 provides that section 105 (relating to the conversion of employees and positions to prevailing-wage rate basis) shall be effective on the date or dates specified by the head of a department but not earlier than the beginning of the second pay period following the date of enactment of the conference substitute nor later than the first day of the first pay period beginning more than 12 months after such date of enactment.

Subsection (b) of section 110 provides that, with respect to employees and positions in a given department, the crafts, protective, and custodial schedule shall be abolished effective upon the completion of the conversion of employees and positions to prevailing-wage rate basis under section 105 and the conversion of the remaining employees and positions to the general schedule under section 106, but, in any

event, not later than the first day of the first pay period beginning more than 12 months after the date of enactment of the conference substitute.

These above-discussed provisions of the conference substitute relating to the abolishment of the crafts, protective, and custodial schedule are also contained in sections 107, 108, 109, and 110 of the Senate amendment and in sections 109, 110, 111, and 112 of S. 2665, as reported to the House.

MISCELLANEOUS PROVISIONS

Section 111 of the conference substitute deletes from section 604 of the Classification Act of 1949 certain obsolete rules for the adjustment of basic compensation to the original pay scales of the Classification Act of 1949. One necessary provision, a broad savings clause, is retained.

Section 112 of the conference substitute makes certain changes in references to section 604 of the Classification Act of 1949 which are made necessary by the amendment to such section made by section 111.

Section 113 of the conference substitute authorizes the Civil Service Commission to issue regulations for the administration of title I of the conference substitute.

Section 114 of the conference substitute is a general overall compensation saving provision. It provides that nothing in title I of the conference substitute shall be construed to reduce the existing rate of basic compensation of any present employee, when, for example, he is changed from one schedule to another or from a scheduled rate of pay to a prevailing-rate basis, or by reason of any other provision of title I. However, when he vacates his position, the compensation of any subsequent appointee to such position will be fixed in accordance with the regular scale of pay applicable to such position.

Section 115 of the conference substitute provides that the term "department" shall have the same meaning in title I of the conference substitute as when used in the Classification Act of 1949, as amended.

These above-discussed miscellaneous provisions of title I of the conference substitute are the same as sections 111, 112, 113, and 114 of the Senate amendment and sections 113, 114, 115, and 116 of S. 2665, as reported to the House.

TITLE II—AMENDMENTS TO THE FEDERAL EMPLOYEES PAY ACT OF 1945, AS AMENDED

Title II of the conference substitute contains amendments to the Federal Employees Pay Act of 1945, as amended. Title II of the conference substitute, except sections 203 and 208 (a) thereof, is the same as title II of the Senate amendment and title II of S. 2665, as reported to the House.

Section 201 of the conference substitute provides that title II may be cited as the "Federal Employees Pay Act Amendments of 1954".

COVERAGE

Section 202 of the conference substitute makes the coverage of the new title IV added by the conference substitute to the Federal Employees Pay Act of 1945, as amended, the same as the coverage of

other overtime, night, and holiday-pay provisions of that act. Section 202 also repeals an obsolete subsection (subsec. (b) of sec. 101) of the Federal Employees Pay Act of 1945, as amended.

COMPENSATION FOR OVERTIME WORK

The present provisions of section 201 of the Federal Employees Pay Act of 1945, as amended, establish a time-and-one-half rate of overtime pay for employees whose basic salaries are less than $2,980 per annum and a diminishing scale of overtime pay for employees whose basic salaries are $2,980 or more per annum. Both section 203 of the Senate amendment and section 203 of S. 2665, as reported to the House, amend section 201 of the Federal Employees Pay Act of 1945, as amended, in order to provide overtime pay at a time-and-one-half rate for employees whose basic salaries do not exceed the maximum scheduled rate of grade GS–9. For employees above that salary level such sections of the Senate amendment and S. 2665, as reported to the House, provide overtime pay at a rate equivalent to time and one-half at such maximum scheduled rate of grade GS–9, or at their respective rates of basic compensation, whichever is greater. Section 203 of the conference substitute changes such provisions of the Senate amendment and S. 2665, as reported to the House, by providing for (1) overtime pay at a time-and-one-half rate for employees whose basic salaries do not exceed the minimum (instead of maximum) scheduled rate of grade GS–9, and (2) overtime pay at a rate equivalent to time and one-half at such minimum scheduled rate of grade GS–9 for employees whose basic salaries do exceed such minimum scheduled rate of grade GS–9.

Section 204 of the conference substitute amends section 202 (a) of the Federal Employees Pay Act of 1945, as amended, in order to give agency heads the authority, which they do not now have, to require employees at salaries above the maximum scheduled rate of grade GS–9 to take compensatory time off instead of receiving overtime pay for irregular or occasional overtime duty. The amendment made by section 204 also continues existing authority for granting compensatory time off, at the request of an employee, in place of pay for irregular or occasional overtime work. In both instances, the time off so provided will compensate the employee for an equal amount of time spent by him in irregular or occasional overtime work.

CALL-BACK OVERTIME AND TIME IN TRAVEL STATUS

Subsection (a) of section 205 of the conference substitute redesignates section 203 of the Federal Employees Pay Act of 1945, as amended, as section 205 of that act and contains language which, in effect, amends all references to such section 203 elsewhere in existing law to conform with such redesignation.

Subsection (b) of section 205 of the conference substitute adds new sections 203 and 204 to the Federal Employees Pay Act of 1945, as amended.

The new section 203 provides a minimum of 2 hours of pay at the overtime rate for any employee who is called back to perform unscheduled overtime work either on a regular workday after he has completed his regular schedule of work and left his place of employment or on one of the days when he is off duty.

The new section 204 places on a statutory basis those principles now established by decisions of the Comptroller General which relate to time spent in a travel status away from the official duty station of an officer or employee. Under the new section 204 such time is treated as hours of employment only when: (1) within the regularly scheduled workweek, including regularly scheduled overtime, of the officer or employee, or (2) the travel involves the performance of work while traveling or is carried out under arduous conditions which have the effect of making such travel inseparable from work.

COMPENSATION FOR NIGHT AND HOLIDAY WORK

Section 206 of the conference substitute amends the night-differential-pay provisions of section 301 of the Federal Employees Pay Act of 1945, as amended. The amendment made by section 206 does not change the existing 10 percent rate of night differential for regularly schedule work between 6 p. m. and 6 a. m. At present employees receive night differential only for hours actually worked. New provisions contained in the amendment made by section 206 liberalize this existing requirement that hours be actually worked by allowing an employee whose regular tour of duty includes nightwork to be paid night differential: (1) for his regular nightwork hours when he does not work because of a holiday, and (2) for periods of leave with pay during any pay period in which his leave totals less than 8 hours. The amendment made by section 206 also authorizes agency heads to change the night-differential period at overseas posts to the extent required to relieve such agencies of the necessity for paying night differential during hours that are customary hours of business in the locality concerned.

Section 207 of the conference substitute amends the holiday-pay provisions of section 302 of the Federal Employees Pay Act of 1945, as amended. The amendment made by section 207 continues the existing provision for extra pay at the straight-time rate, in addition to pay at the regular rate, for work on a holiday within the 40-hour basic workweek of an employee. The amendment also adds a new provision guaranteeing a minimum of 2 hours of pay at the holiday rate for any employee required to work on a holiday. The amendment also provides that any extra pay for an employee at the holiday rate shall be in addition to the differential of 10 percent which such employee is entitled to receive for a regularly scheduled tour of duty performed by him at night on a holiday, each such rate of premium compensation for such holiday or nightwork being computed separately on the rate of basic compensation of the employee concerned. In addition, the amendment states explicitly the policy which is implicit in existing provisions of the Federal Employees Pay Act of 1945, as amended, that is, that overtime work on Sundays and holidays is to be compensated at the same rates as overtime work on other days.

SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK

Subsection (a) of section 208 of the conference substitute adds a new title IV to the Federal Employees Pay Act of 1945, as amended.

Paragraph (1) of section 401 (a) of the new title IV authorizes agency heads to allow additional annual pay at rates up to 25 percent of base-pay rates, in lieu of all overtime, night, and holiday pay, for

employees who are required, by reason of the duties of their positions, to remain at or within the confines of their stations during longer than ordinary periods of duty but who spend a substantial part of their time on duty in a standby status rather than actually performing work.

Additional annual pay granted under such paragraph (1) will be determined after consideration of the following factors: (1) The number of hours of actual work required in each of such positions, (2) the number of hours required in a standby status at or within the confines of the station, (3) the extent to which the duties of each such position are made more onerous by night or holiday work or by being extended over periods of more than 40 hours a week, and (4) any other factors relative to the determination of such additional annual pay.

Paragraph (2) of section 401 (a) of the new title IV authorizes agency heads to allow additional annual pay at rates up to 15 percent of base-pay rates, in lieu of other pay for irregular or unscheduled overtime duty and for night and holiday duty, for those employees whose hours of duty cannot be controlled administratively and who are required to perform substantial amounts of irregular, unscheduled, overtime and night and holiday duty, each employee generally being responsible for recognizing (without supervision) circumstances which require him to remain on duty. Each such employee will receive other overtime pay, computed in the usual manner, for regularly scheduled overtime work which is officially ordered or approved. Paragraph (2) is designed specifically to permit this form of additional compensation for those investigators of criminal activities whose positions meet all the conditions specified in such paragraph. Paragraph (2) also will permit similar payments to employees in other types of positions with respect to which all these conditions exist in like degree.

Additional annual pay granted under such paragraph (2) will be determined after consideration of the frequency and duration of night, holiday, and unscheduled overtime duty required in each of such positions.

Additional annual pay under the new title IV is subject to the approval of the Civil Service Commission.

It should be noted that under the Senate amendment and S. 2665, as reported to the House, such additional annual pay is to be computed on only that part of the base pay of an employee which does not exceed the maximum scheduled rate of basic compensation provided for grade GS–9 of the Classification Act of 1949, as amended. Under the conference substitute such additional annual pay is to be computed on only that part of the base pay of an employee which does not exceed the minimum (instead of the maximum) scheduled rate of such grade GS–9.

Section 401 (b) of the new title IV as contained in the Senate amendment and S. 2665, as reported to the House, provided that the new title IV shall not apply to fire-fighting personnel. The Senate amendment and S. 2665, as reported to the House, thus excluded fire fighters from those categories of personnel who would be eligible to receive up to 25 percent additional annual pay in lieu of other premium compensation for long periods of standby duty. As a result, fire fighters would have continued to be paid for overtime, night, and holiday duty under provisions (other than the new title IV) of the Federal Employees Pay Act of 1945, as amended, which relate to such duty. This provision was included in the Senate amendment and S. 2665, as reported to the House, in order to prevent a reduction

in compensation for a number of fire fighters now in the service who are receiving more than 25 percent additional pay by virtue of overtime, holiday, and night differential now authorized.

The conference substitute changes these provisions of the Senate amendment and S. 2665, as reported to the House, by providing that the new title IV shall apply to fire fighters. For the future, the committee of conference agreed that new fire-fighting employees should receive up to 25 percent additional annual compensation in lieu of other premium compensation for their long periods of standby duty, in order to avoid the complexities which arise in attempting to determine premium compensation for night, overtime, and holiday work caused by long periods of standby duty frequently performed by fire-fighting personnel. The committee of conference further agreed, however, that the pay of those fire fighters now in the service who receive more than the 25 percent additional pay provided by the conference substitute should not be reduced. This is accomplished by section 208 (b) of the conference substitute which provides that the provisions of the new title IV added by section 208 (a) of the conference substitute to the Federal Employees Pay Act of 1945, as amended, shall not be construed to decrease the existing aggregate rate of compensation of any present employee. If, however, the position of such present employee should become vacant in the future, any subsequent appointee to such position will receive premium compensation for such position in accordance with the provisions of such new title IV.

Subsection (b) of section 208 of the conference substitute provides that the provisions of the new title IV added by section 208 (a) to the Federal Employees Pay Act of 1945, as amended, shall not be construed to decrease the existing aggregate rate of compensation of any present employee. If, however, the position of such present employee should become vacant in the future, any subsequent appointee to such position will receive premium compensation for such position in accordance with the provisions of such new title IV.

LIMITATION ON PREMIUM COMPENSATION

Section 209 of the conference substitute amends section 603 of the Federal Employees Pay Act of 1945, as amended, to provide new limitations with respect to receipt of premium compensation which will replace the existing limitations contained in such section 603.

Subsection (a) of such section 603, as so amended, provides that no premium compensation will be paid, under the amendments made by title II of the conference substitute, for overtime, night, or holiday work, to any officer or employee whose rate of basic compensation equals or exceeds the maximum scheduled rate of basic compensation provided for grade GS–15 in the general schedule of the Classification Act of 1949, as amended.

Subsection (b) of such section 603, as so amended, provides that, in the case of any officer or employee whose rate of basic compensation is less than the maximum scheduled rate of basic compensation provided for grade GS–15 in the Classification Act of 1949, as amended, such premium compensation may be paid only to the extent that such payment would not cause his aggregate rate of compensation to exceed such maximum scheduled rate with respect to any pay period.

The amendment made by section 209 of the conference substitute replaces the present ceiling rate of $10,330 in the Federal Employees Pay Act of 1945, as amended—a former maximum scheduled rate of the former grade CAF–15.

WORK SCHEDULES

Section 210 of the conference substitute adds to section 604 (a) of the Federal Employees Pay Act of 1945, as amended, new provisions relating to the scheduling of tours of duty. Except where an agency head determines that his organization would be seriously handicapped in carrying out its functions or that costs would be substantially increased, the new provisions will require such agency head to provide for the following actions and policies with respect to all officers and employees in his organization: (1) Assignments to tours of duty shall be scheduled at least 1 week in advance, (2) the basic workweek of 40 hours shall be scheduled on 5 days (Monday through Friday, if possible) and the 2 days outside the basic workweek shall be consecutive, (3) the working hours on each day in the basic workweek shall be the same, (4) the basic nonovertime workday shall not exceed 8 hours, (5) the basic workweek shall not be altered because of the occurrence of a holiday, and (6) daily tours of duty shall not be split by off-duty periods of more than 1 hour.

It should be noted that existing mandatory scheduling provisions of the Federal Employees Pay Act of 1945, as amended, will continue in effect. Such provisions require agencies to establish a basic workweek of 40 hours and require that the hours of work in such workweek be performed within a period of not more than 6 of any 7 consecutive days.

EFFECTIVE DATE

Section 211 of the conference substitute provides that title II of the conference substitute shall become effective at the beginning of the first pay period which begins more than 60 days after the date of enactment of the conference substitute.

TITLE III—GOVERNMENT EMPLOYEES' INCENTIVE AWARDS

Section 301 of the conference substitute establishes for title III a short title, the "Government Employees' Incentive Awards Act."

Section 302 of the conference substitute states that the awards program under this title shall be carried out under regulations and instructions issued by the United States Civil Service Commission. It further provides that the Commission shall report the results of the program annually to the President for transmittal to the Congress.

Section 303 of the conference substitute defines the term "department." This section will place all Federal departments and agencies except the Tennessee Valley Authority under the provisions of this title.

Section 304 (a) of the conference substitute authorizes the head of each department to pay cash awards to and incur necessary expenses for the honorary recognition of civilian officers and employees of the Government in the following circumstances:

1. When such officers or employees have contributed to the efficiency, economy, or other improvement of Government operations

by their suggestions, inventions, superior accomplishments, or other personal efforts; or

2. When they have performed special acts or services in the public interest in connection with or related to their official employment.

Section 304 (b) of the conference substitute authorizes the President to pay cash awards to and incur necessary expenses for the honorary recognition of civilian officers and employees of the Government in addition to departmental awards authorized in section 304 (a) in circumstances where such additional awards or recognition are determined by the President to be warranted.

Section 304 (c) of the conference substitute provides that awards authorized in section 304 (a) and 304 (b) may be paid even though the official or employee has died or been separated from the service, provided that the suggestion or other contribution on which the award is based was made while he was in the Government's employ.

Section 304 (d) of the conference substitute provides that a cash award under this section shall be in addition to regular compensation of the officer or employee. It also is designed to protect the United States from a claim of any kind which might arise from the acceptance of a cash award by any employee, former employee, or his heirs or assigns. It should be understood that the inclusion of this subsection in the title in no way implies the existence of a claim against the United States in any case in which the award is not accepted or in which the recipient later deems it insufficient. This carries forward the language in existing law to be found in section 14 of the act entitled "An act to authorize certain administrative expenses in the Government service, and for other purposes" approved August 2, 1946, which section is repealed in section 305 hereinafter.

Section 304 (e) of the conference substitute authorizes departments to pay cash awards and expenses for honorary recognition from their general appropriations. In addition it will permit two or more departments which have benefited from a single suggestion or other contribution to share in the cost of the award granted therefor. The President will determine the proportionate amount that each benefiting department will contribute in the case of those awards he authorizes, and the head of each department will determine the amount of the awards he authorizes.

Section 304 (f) of the conference substitute states that due weight shall be given to awards made under this title in considering employees for promotion.

Section 304 (g) of the conference substitute provides that no cash award paid under this title shall exceed $5,000, except that in special cases awards of not in excess of $25,000 may be granted, with approval of the Civil Service Commission, upon certification by the head of the department concerned.

Section 305 of the conference substitute repeals all existing laws governing incentive-awards programs. Section 702 of the Classification Act of 1949, which authorizes within-grade salary step increases for superior accomplishment is among the laws repealed in this section.

Section 306 of the conference substitute provides that the enactment of this title shall not affect the right of any employee to an award granted him under any provision of law repealed by this title.

Section 307 of the conference substitute establishes the effective date of this title as 90 days after its enactment. This will give de-

partments time to revise their awards programs in compliance with the provisions of this title.

The conference substitute adopts the language of the Senate amendment, except for the addition of the monetary limitations in section 304 (g) and the saving clause in section 306 thereof which are discussed above. S. 2665, as reported to the House, contained language which is similar in effect to that of the Senate amendment, and in addition thereto contained the monetary limitations and the saving clause which are included in sections 304 (g) and 306, respectively, of the conference substitute.

Title IV—Uniform Allowances

Section 401 of the conference substitute establishes a short title, the "Federal Employees Uniform Allowance Act."

Section 402 of the conference substitute authorizes the annual appropriation of funds to Government agencies in amounts up to $100 multiplied by the estimated number of agency employees (1) who are required by existing regulation or by law to wear a prescribed uniform while on duty and (2) who are not furnished with the required uniform. Under rules issued by the Bureau of the Budget the agency head would have to furnish such uniform, or pay out of such appropriated funds, to each such employee to defray the expense of acquiring such uniform an allowance of not in excess of $100 per year as prescribed by agency regulations. Any amounts allowed for the same purpose under other law or regulation would be deducted from any allowance paid under this title.

Section 403 of the conference substitute provides that allowances paid under this title shall not be considered as pay, salary, or compensation within the meaning of the Civil Service Retirement Act of May 29, 1930, as amended, or as wages within the meaning of section 209 of the Social Security Act, as amended, or chapters 21 and 24 of the Internal Revenue Code of 1954.

Section 404 of the conference substitute authorizes and directs the Director of the Bureau of the Budget to issue necessary rules and regulations for the administration of this title.

The conference substitute adopts the language of the Senate amendment, except (1) for deletion of a provision therein for use of uniform allowances for upkeep of uniforms and (2) addition of language giving the agency head discretion to furnish such uniforms out of funds appropriated therefor, in lieu of a cash allowance for the purpose. S. 2665, as reported to the House, provided a comparable uniform allowance, but contained no provision which would make the appropriation of funds for the uniform allowances dependent upon a showing of the necessity or desirability thereof.

Title V—Annual Leave

Section 501 of the conference substitute amends section 2 of the act of August 3, 1950, as amended by section 5 of the act of July 2, 1953, which provides, in part, for the lump-sum payment for all accumulated annual leave to survivors of deceased officers and employees in an amount equal to the compensation that the decedent would have received if he had remained in the service until the expiration of the period of such annual leave. Payment under

existing law may be made for current accrued leave only where the total does not exceed 30 days. Section 501 so amends this provision to permit current accrued annual leave to be added to the accumulated leave and be paid in a lump-sum payment even though the total leave equals or exceeds the 30-day maximum.

Section 502 of the conference substitute repeals section 6 of the act of July 2, 1953, which directed departmental heads to take action for the reduction of accumulated annual leave credited to officers and employees which was in excess of amounts allowable under the applicable provisions of section 203 of the Annual and Sick Leave Act of 1951, as amended.

Section 503 of the conference substitute provides that title V shall take effect as of September 1, 1953.

Title VI—Miscellaneous Provisions

Section 601 (a) of the conference substitute amends section 2 (b) of the Performance Rating Act of 1950 by excluding the Central Intelligence Agency from the application of such act.

Section 601 (b) of the conference substitute repeals section 9 of the Central Intelligence Agency Act of 1949, as amended, which authorizes the Director of the Central Intelligence Agency to establish not more than three positions in the professional and scientific field in such Agency with compensation at rates (subject to Civil Service Commission approval) of not less than $13,100 nor more than $15,000 per annum. Such section 9 is no longer needed because of subsequent legislation.

These same provisions are also contained in subsections (a) and (b) of section 601 of the Senate amendment and subsections (a) and (b) of section 602 of S. 2665, as reported to the House.

Section 602 of the Senate amendment repeals section 1310 of the Supplemental Appropriation Act, 1952 (Public Law 253, 82d Cong.), as amended. S. 2665, as reported to the House, contains no comparable provision. The conference substitute modifies such section 1310, in lieu of outright repeal, as follows:

(1) The limitation in such section 1310 on the maximum allowable number of permanent personnel in the Federal Government (that is, the total number of permanent employees on September 1, 1950) is increased by 10 percent;

(2) the prohibition in such section 1310 against permanent reinstatements and permanent promotions is eliminated; and

(3) a new subsection (e) is added to such section 1310, providing that such section does not, and shall not be construed to, amend or modify the Veterans' Preference Act of 1944, as amended.

According to information received from the Civil Service Commission the first two numbered modifications of such section 1310 will permit the Commission to place in effect its proposed program to convert present indefinite employees in the competitive service to a permanent status and to provide a new system of appointments for the future.

The committee of conference understands that such program will include the following principles:

(1) Establishment of a new type of appointment to be designated "career-conditional";

(2) Automatic conversion of each present indefinite appointment, heretofore made in lieu of reinstatement, to a permanent appointment after a total of 3 years of service, or to a career-conditional appointment after a total of less than 3 years of service;

(3) Automatic conversion of each present indefinite appointment which was made after open competitive civil service examination to a permanent appointment after 3 years of continuous service, or to a career-conditional appointment after less than 3 years of such service;

(4) Career-conditional appointments to persons employed in the future after open competitive civil-service examinations, the first year to be a probationary period, such appointments to be converted automatically to permanent after 3 years;

(5) Immediate automatic conversion to permanent appointments of all indefinite appointments received by permanent employees as the result of promotions; and

(6) Continuance as indefinite appointments of present indefinite appointments made without open competitive civil-service examination.

It is understood, also, that Executive Order 10180, dated November 13, 1950, will be rescinded and that a new Executive order will be issued in place thereof to authorize the Civil Service Commission to place its career-conditional program in operation. As pointed out above, under the conference substitute the limitation on the maximum allowable number of permanent Federal personnel applies on a Governmentwide basis, rather than by individual departments and establishments. In accordance with this policy, it is contemplated that neither permanent appointments nor career-conditional appointments will be allocated by the Commission to the various departments and establishments. Thus, both the overall limitation on permanent appointments provided by section 1310 of the Supplemental Appropriation Act, 1952, as amended by the conference substitute, and the giving of career-conditional and permanent appointments under the proposed career-conditional program of the Civil Service Commission will be applied on a Governmentwide basis.

The third numbered modification of such section 1310 is merely a restatement of existing law for purposes of clarification and emphasis.

The conference substitute continues in force provisions of such section 1310 which were designed to assure that the bulge in Federal employment during the present emergency will not be permanent, and which are deemed both appropriate and desirable as a means of congressional control of payrolls during such periods of emergency. Recognition is given to the recommendations in the report accompanying S. 2665, as reported to the House, that Executive Order 10180 should be replaced by a new Executive order which is in harmony with such section 1310 and which provides for a Governmentwide ceiling on permanent appointments rather than a ceiling applied by individual departments and establishments as is the case under Executive Order 10180. Recognition also is given the recommendation in such report that the Civil Service Commission make a beginning on adjustment of the Federal personnel program based upon an actual proposed plan within the framework of the law.

Section 603 of the conference substitute provides that official reporters of the proceedings and debates of the Senate and the employees of such reporters shall be considered to be officers or employees in or under the legislative branch of the Government for the purposes of the

Federal Employees' Group Life Insurance Act of 1954. This same provision is contained in section 603 of the Senate amendment, but there is no comparable provision in S. 2665, as reported to the House.

MAIL-MESSENGER SERVICE CONTRACTS

The House bill amended the act of March 3, 1887 (39 U. S. C., sec. 578), which authorizes the employment of mail messengers in the postal service, in order to permit the Postmaster General, in his discretion and under regulations prescribed by him, to readjust the compensation of the holder of any mail-messenger service contract on account of increased or decreased costs occasioned by changed conditions not reasonably foreseeable at the time the contract was entered into. Mail-messenger service contracts provide for transportation of mail between post offices and railroad stations or airports. The Motor Vehicle Service of the Post Office Department provides such transportation in most of the larger cities, while the mail-messenger service contract is used in smaller places. Such contracts, which are awarded by competitive bidding, continue until either the United States or the contract holder gives notice to withdraw and, thereupon, the contract is readvertised for bids. In some cases increased costs of operation which are incurred by holders of such contracts justify increases in their contract compensation. In other cases reduced costs of operation (generally by reason of decreased volume of mail) for holders of such contracts justify reductions in their contract compensation. Existing law does not authorize readjustment of mail-messenger service contract compensation. The contract must be canceled and readvertised for competitive bids. In authorizing the Postmaster General to readjust mail-messenger service contract compensation the House bill follows the policy established by the act of June 19, 1948 (Public Law 669, 80th Cong.), and the act of February 29, 1952 (Public Law 262, 82d Cong.), which authorize the Postmaster General to make such readjustments in the compensation of holders of star route contracts and screen vehicle service contracts. The Senate amendment does not contain any provision relating to mail-messenger service contracts. Section 604 of title VI of the conference substitute retains the above-discussed provisions of the House bill.

The committee of conference recommends a modification of the title of the bill to reflect more adequately the provisions of the bill as agreed to in conference.

EDWARD H. REES,
JOEL T. BROYHILL,
TOM MURRAY,
Managers on the Part of the House.

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authorizing the transfer of personnel and appropriations to defense activities of various departments and agencies pursuant to law, regarding rental of Government-owned living quarters. Contains language, similar to that in previous years, prohibiting the use of funds of corporations for purchase of construction of office buildings, and authorizing the use of appropriated funds to purchase foreign credits owed to or owned by the U. S.

3. PERSONNEL. Received the conference report on H. R. 2263, the so-called fringe-benefits bill (H. Rept. 2665)(pp. 13893-901). The text of the bill, as agreed to by the conferees, is printed in the Record.

4. ATOMIC ENERGY. Redeived the revised conference report on H. R. 9757, to make various changes in the Atomic Energy Act (H. Rept. 2666)(pp. 13873-88). The revised bill is printed in the Record.

5. VEHICLES; FURNITURE. Concurred in the Senate amendments to H. R. 8753, to authorize GSA to establish and operate motor vehicle pools and systems and to provide office furniture and furnishings when agencies are moved to new locations, to direct GSA to report the unauthorized use of Government motor vehicles, and to authorize CSC to regulate operators of Government-owned motor vehicles (p. 13824). This bill will now be sent to the President.

6. DEBT LIMIT. By a division vote of 193 to 31, concurred in the Senate amendment to H. R. 6672, increasing the debt limit of the Government. The amendment provides for a temporary increase of $6 billion until June 30, 1955. (pp. 13824-8). This bill will now be sent to the President.

7. CUSTOMS SIMPLIFICATION. Concurred in the Senate amendments to H. R. 10009, to provide for the review of customs tariff schedules, to improve procedures for the tariff classification of unenumerated articles, and to repeal or amend obsolete provisions of the customs laws (pp. 13822-4). This bill will now be sent to the President.

8. FOREIGN AID; SURPLUS COMMODITIES. House conferees were appointed on H. R. 9924, to provide for family housing for military personnel and their dependents, to authorize the Secretary of Defense to procure such housing for military personnel in foreign countries through the use of foreign currencies obtained through sale of surplus agricultural commodities, and to make Defense Department appropriations available to reimburse CCC in an amount equivalent to the dollar value of the currencies used (p. 13829). Senate conferees have not yet been appointed.

9. SOCIAL SECURITY; FARM LABOR. House conferees were appointed on H. R. 9366, the social security bill, which includes a provision extending social security retirement coverage to approximately 2.6 million additional farm workers (p. 13820). Senate conferees have been appointed.

10. FOREIGN-AID APPROPRIATION BILL, 1955. House conferees were appointed on this bill, H. R. 10051 (p. 13821). Senate conferees have been appointed.

11. EDUCATION. Passed without amendment S. 3629, to amend Public Law 874, 81st Cong., so as to postpone the effective date of the 3 percent "absorption" requirement of school districts in areas affected by Federal activities for 1 additional year (through June 30, 1955). This bill will now be sent to the President.

Passed with amendment S. 3268, to amend Public Law 815, 81st Cong., so as to extend for 3 additional years the program of Federal assistance for school construction under title III thereof (p. 13857).

12. PERSONNEL; RETIREMENT. Passed with amendment S. 3627, to amend the Civil Service Retirement Act so as to tighten up several "loopholes" (pp. 13828-9).

13. FARM LABOR. The Judiciary Committee reported without amendment S. 2862, to provide relief for the sheep-raising industry by making special nonquota immigration visas available to certain skilled alien sheepherders (H. Rept. 2662) (p. 13902).

14. INVESTIGATIONS; PERSONNEL. Passed with amendments S. 2308, to give the Attorney General concurrent jurisdiction over investigation of violations of title 18 of the U. S. Code (regarding crimes) by Government officers and employees, except for members of the armed forces and the Post Office Department (pp. 13859-60).

15. CONVENING OF CONGRESS. Passed without amendment H. J. Res. 585, to provide that the 84th Congress shall convene at noon on Wed., Jan. 5, 1955 (p. 13858).

SENATE

16. FARM LOANS. Concurred in the House amendment to S. 3245, to authorize the Secretary to use $15,000,000 of the Disaster Loan Revolving Fund for emergency loans to farmers and stockmen until June 30, 1955 (p. 13942). This bill will now be sent to the President.

17. RECLAMATION. Discussed and passed over, upon the objection of Sen. Smathers, H. R. 5301, to authorize the Interior Department to make loans to privately owned reclamation projects (pp. 13926-7).

Discussed and passed over, upon the objection of Sen. Smathers, H. R. 9981 to provide for construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies (p. 13928).

Sen. Watkins stated "there is an extreme need for facts to clarify much of the confusion which has resulted from misinformation spread about the upper Colo. River project" and inserted George D. Clyde's (commissioner of interstate streams for Utah) article which discussed the issues (pp. 13909-10).

18. ATOMIC ENERGY. Agreed, 59 to 17, to the revised conference report on H. R. 9757, the atomic energy bill (pp. 13982-5).

19. PERSONNEL. Passed without amendment H. R. 5718, to limit to 6 years the period for collection by the Government of compensation received by officers and employees in violation of the dual compensation laws (p. 13928). This bill will now be sent to the President.

20. TAXATION. Sen. Ferguson inserted the President's statement made upon the signing of H. R. 8300, the general tax revision bill (pp. 13937-42).

21. SOIL CONSERVATION. Sen. Watkins inserted a newspaper editorial and stated that the "role that can be played by the Federal Government in cooperating in watershed improvement program under the Hope-Aiken measure is adequately shown" in this editorial (pp. 13910-1).

Amendment No. 186: Changes section number.

Amendment No. 187: Reported in disagreement.

JOHN TABER,
CLARENCE CANNON,

As to chapters 1, 2, 4, 11, 12, and 13:
R. B. WIGGLESWORTH,
H. CARL ANDERSEN,
J. VAUGHAN GARY,

As to chapter 3:
CLIFF CLEVENGER,
FRANK T. BOW,
JOHN J. ROONEY,

As to chapter 5:
HAMER H. BUDGE,
BEN F. JENSEN,
A. M. FERNANDEZ,

As to chapter 6:
H. CARL ANDERSEN,
OAKLEY HUNTER,
JAMIE L. WHITTEN,

As to chapter 7:
BEN F. JENSEN,
IVOR D. FENTON,
W. F. NORRELL,

As to chapter 8:
JOHN PHILLIPS,
CHARLES R. JONAS,

As to chapters 9 and 10:
GLENN R. DAVIS,
E. A. CEDERBERG,
LOUIS C. RABAUT,

Managers on the Part of the House.

FRINGE EMPLOYMENT BENEFITS FOR EMPLOYEES OF THE FEDERAL GOVERNMENT

Mr. REES of Kansas submitted the following conference report and statement:

CONFERENCE REPORT (H. REPT. No. 2665)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2263) to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I—AMENDMENTS TO CLASSIFICATION ACT OF 1949

"Number of positions in grades 16, 17, and 18 of the General Schedule

"SEC. 101. (a) Section 505 of the Classification Act of 1949, as amended, is amended to read as follows:

"'SEC. 505. (a) No position shall be placed in grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission.

"'(b) No position shall be placed in or removed from grade 18 of the General Schedule except by the President upon recommendation of the Commission.

"'(c) At any one time there shall not be more than four hundred positions in grade 16 of the General Schedule, not more than one hundred and fifteen positions in grade 17 of the General Schedule, and not more than thirty-five positions in grade 18 of the General Schedule.

"'(d) Positions that may be established under the proviso of section 203 (b) (1) of the Act of August 2, 1946 (60 Stat. 836), may be in addition to those authorized by the foregoing provisions of this section.'

"(b) The amendment made by subsection (a) shall not affect positions allocated to grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended, pursuant to provisions of law (other than the Classification Act of 1949, as amended) and reorganization plans in effect prior to the effective date of this section.

"Longevity step-increases

"SEC. 102. (a) (1) Subsection (a) of section 703 of the Classification Act of 1949, as amended, is amended by striking out the words 'change of grade or rate of basic compensation except such change as may be prescribed by any provision of law of general application' and inserting in lieu thereof the words 'increase in grade or rate of basic compensation except such increase as may be prescribed by any provision of law of general application.'

"(2) Subsection (b) (1) of section 703 of the Classification Act of 1949, as amended, is amended to read as follows:

"'(b) (1) No officer or employee shall be entitled to a longevity step-increase while holding a position in any grade above grade 15 of the General Schedule.'

"(b) The amendments made by subsection (a) shall become effective at the beginning of the first pay period following the date of enactment of this Act.

"SEC. 103. (a) Section 704 of the Classification Act of 1949, as amended, is amended to read as follows:

"'SEC. 704. In the case of officers and employees in grades 11 to 15, inclusive, of the General Schedule who are receiving compensation at or above the maximum scheduled rates for their respective grades on the date immediately preceding the effective date of this amendatory section, not to exceed three years of service performed immediately preceding such effective date shall be counted toward longevity step-increases under section 703. Notwithstanding subsection (b) (4) of section 703, longevity step-increases for grade 15 of the General Schedule shall be $200.'

"(b) The amendment made by subsection (a) shall become effective at the beginning of the first pay period following the date of enactment of this Act.

"Recruitment above the minimum rate of the class

"SEC. 104. Section 803 of the Classification Act of 1949, as amended, is amended to read as follows:

"'SEC. 803. (a) Whenever the Commission shall find (1) that a sufficient number of qualified eligibles for positions in a given class cannot be secured in one or more areas or locations at the existing minimum rate for such class, and (2) that there is a possibility that a sufficient number of such eligibles can be secured by increasing the minimum rate for such class in such areas or locations to one of the higher rates within the grade in which such class is placed, the Commission may establish such higher rate as the minimum rate for that class in each area or location concerned.

"'(b) Minimum rates established under subsection (a) may be revised from time to time by the Commission. Such actions or revisions shall have the force and effect of law.

"'(c) Any increase in rate of basic compensation resulting from the establishment of minimum rates under this section shall not be regarded as an "equivalent increase" in compensation within the meaning of section 701 (a).'

"Exclusion from classification act of 1949 of crafts, trades, and labor positions and application of prevailing wage policy to such positions

"SEC. 105. (a) Paragraph (7) of section 202 of the Classification Act of 1949, as amended, is amended to read as follows:

"'(7) employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor occupations, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and knowledge as the paramount requirement, and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experience, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine operations: *Provided*, That the compensation of such employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates: *Providing further*, That whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees shall be subject to the provisions of this Act which are applicable to positions of equivalent difficulty or responsibility.'

"(b) Section 204 (c) of the Classification Act of 1949, as amended, is amended to read as follows:

"'(c) Section 202 (except paragraph (7) thereof) and section 203 shall not apply to the Office of the Architect of the Capitol.'

"Transfer of certain positions from the Crafts, Protective, and Custodial Schedule to the General Schedule

"SEC. 106. (a) Not earlier than the first day of the second pay period which begins after the date of enactment of this Act, and not later than the first day of the first pay period which begins more than six months after the date of enactment of this Act, all positions in the Crafts, Protective, and Custodial Schedule of the Classification Act of 1949, as amended, not excluded from such Act by section 202 (7) thereof, as amended by section 105 of this title, shall be placed in corresponding grades of the General Schedule as set forth below:

"Grade of the Crafts, Protective, and Custodial Schedule	*Corresponding new grade of the General Schedule*
1	1
2	1
3	1
4	2
5	3
6	4
7	5
8	6
9	7
10	8

"(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows:

"(1) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule which is less than the minimum scheduled rate of that grade in the General Schedule in which his position is placed, his compensation shall be increased to such minimum rate;

"(2) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule which is equal to one of the scheduled or longevity rates of that grade in the General Schedule in which his position is placed, he shall receive a rate of basic compensation at such scheduled or longevity rate;

"(3) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule at a rate between two scheduled or two longevity rates, or between a scheduled rate and a longevity rate, of that grade in the General Schedule in which his position is placed, he shall receive a rate of basic compensation at the higher of such two rates;

"(4) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule in excess of the maximum longevity rate of that grade in the General Schedule in which his position is placed, he shall continue to receive basic compensation without change in

rate until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant the rate of basic compensation of any subsequent appointee shall be fixed in accordance with such act, as amended.

"(c) The conversion to grades of the General Schedule of positions covered by this section, and the initial adjustments in compensation as prescribed herein, shall not be construed to be transfers or promotions within the meaning of section 802 (b) of the Classification Act of 1949, as amended, and the regulations issued thereunder.

"Abolishment of crafts, protective, and custodial schedule

"SEC. 107. Section 601 of the Classification Act of 1949, as amended, is amended to read as follows:

"'SEC. 601. There is hereby established for positions to which this Act applies a basic compensation schedule, to be known as the "General Schedule", the symbol for which shall be "GS".'

"SEC. 108. (a) Section 602 of the Classification Act of 1949, as amended, is amended by striking out '(a)' after 'SEC. 602.'.

"(b) Subsection (b) of such section 602 is hereby repealed.

"SEC. 109. (a) Subsection (a) of section 603 of the Classification Act of 1949, as amended, is amended to read as follows:

"'(a) The rates of basic compensation with respect to officers, employees, and positions to which this Act applies shall be in accordance with the compensation schedule contained in subsection (b).'

"(b) Subsection (c) of such section 603 is hereby repealed.

"(c) Subsection (d) of such section 603 is amended to read as follows:

"'(c) Whenever payment is made on the basis of a daily, hourly, weekly, biweekly, or monthly rate, such rate shall be computed from the appropriate annual rate specified in subsection (b) by the method prescribed in section 604 (d) of the Federal Employees Pay Act of 1945, as amended.'

"SEC. 110. (a) Section 105 of this title shall take effect on the date or dates specified by the head of a department, but not earlier than the first day of the second pay period which begins after the date of enactment of this Act, and not later than the first day of the first pay period which begins more than twelve months after the date of enactment of this Act, with respect to each employee and position in such department within the purview of such section 105.

"(b) Sections 107, 108, and 109 of this title shall take effect, with respect to employees and positions in a department, upon the completion of the actions required by sections 105 and 106 of this title to be taken with respect to such employees and positions, but in no event later than the first day of the first pay period which begins more than twelve months after the date of enactment of this Act.

"Miscellaneous provisions

"SEC. 111. Section 604 of the Classification Act of 1949, as amended, is amended to read as follows:

"'SEC. 604. Employees receiving basic compensation at a rate authorized by law, immediately prior to the effective date of this title, in excess of the appropriate new rate of the grade as determined under paragraphs (1) to (10), inclusive, of section 604 (b) of this Act, as in effect prior to the date of enactment of this amended section, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this Act.'

"SEC. 112. Sections 703 (c) and 802 (b) of the Classification Act of 1949, as amended, are amended by striking out 'section 604 (b) (11)' and inserting in lieu thereof 'section 604.'

"SEC. 113. The Civil Service Commission is hereby authorized to issue such regulations as may be necessary for the administration of this title.

"SEC. 114. Nothing contained in this title shall be construed to decrease the existing rate of basic compensation of any present employee, but when his position becomes vacant any subsequent appointee to such position shall be compensated in accordance with the scale of pay applicable to such position.

"SEC. 115. The term 'department' shall have the same meaning in this title as when used in the Classification Act of 1949, as amended.

"TITLE II—AMENDMENTS TO THE FEDERAL EMPLOYEES PAY ACT OF 1945, AS AMENDED

"SEC. 201. This title may be cited as the 'Federal Employees Pay Act Amendments of 1954'.

"SEC. 202. (a) Subsection (a) of section 101 of the Federal Employees Pay Act of 1945, as amended, is amended by striking out 'titles II and III' and inserting in lieu thereof 'titles II, III, and IV'.

"(b) Subsection (b) of such section 101 is hereby repealed.

"Compensation for overtime work

"SEC. 203. Section 201 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"'SEC. 201. All hours of work officially ordered or approved in excess of forty hours in any administrative workweek performed by officers and employees to whom this title applies shall be considered to be overtime work and compensation for such overtime work, except as otherwise provided for in this Act, shall be at the following rates:

"'(1) For each officer and employee whose basic compensation is at a rate which does not exceed the minimum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to one and one-half times the hourly rate of basic compensation of such officer or employee, and all of such amount shall be considered premium compensation.

"'(2) For each officer and employee whose basic compensation is at a rate which exceeds the minimum scheduled rate of basic compensation provid'd for grade GS–9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to one and one-half times the hourly rate of such minimum scheduled rate of basic compensation, and all of such amount shall be considered premium compensation.'

"SEC. 204. Section 202 (a) of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"'SEC. 202. (a) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, or of the municipal government of the District of Columbia, or the head of any legislative or judicial agency to which this title applies, (1) may, at the request of any officer or employee, grant such officer or employee compensatory time off from his scheduled tour of duty in lieu of payment for an equal amount of time spent in irregular or occasional overtime work, and (2) may, at his own discretion, provide that any officer or employee, whose rate of basic compensation is in excess of the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, shall be compensated for irregular or occasional overtime work for which compensation would be due under this Act with an equal amount of compensatory time off from his scheduled tour of duty in lieu of such compensation.'

"SEC. 205. (a) Section 203 of the Federal Employees Pay Act of 1945, as amended, is redesignated as section 205, and wherever such section number appears in such Act or in any other provision of law it is amended to conform to the redesignation prescribed by this subsection.

"(b) The Federal Employees Pay Act of 1945, as amended, is amended by inserting after section 202 thereof the following new sections:

"'Call-back overtime

"'SEC. 203. For the purposes of this Act, any unscheduled overtime work performed by any officer or employee on a day when no work was scheduled for him, or for which he is required to return to his place of employment, shall be considered to be at least two hours in duration.

"'Time in travel status

"'SEC. 204. For the purposes of this Act, time spent in a travel status away from the official-duty station of any officer or employee shall be considered as hours of employment only when (1) within the days and hours of such officer's or employee's regularly scheduled administrative workweek, including regularly scheduled overtime hours, or (2) when the travel involves the performance of work while traveling or is carried out under arduous conditions.'

"Compensation for night and holiday work

"SEC. 206. Section 301 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"'SEC. 301. (a) Any regularly scheduled work between the hours of six o'clock postmeridian and six o'clock antemeridian (including periods of absence with pay during such hours due to holidays, and any such hours within periods of leave with pay if such periods total less than eight hours during any pay period) shall be considered nightwork, except as provided in subsection (b), and any officer or employee performing such work to whom this title applies shall be compensated for such work at his rate of basic compensation plus premium compensation amounting to 10 per centum of such rate, unless otherwise provided in title IV of this Act. This section shall not operate to modify the provisions of the Act of July 1, 1944 (Public Law Numbered 394, Seventy-eighth Congress), or any other law authorizing additional compensation for nightwork.

"'(b) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, may designate any time after six o'clock postmeridian and any time before six o'clock antemeridian as the beginning and end, respectively, of nightwork for the purpose of subsection (a) at any post outside the several States and the District of Columbia where customary hours of business extend into the hours of nightwork provided by such subsection.'

"SEC. 207. Section 302 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"'SEC. 302. (a) All work not exceeding eight hours, which is not overtime work as defined in section 201 of this Act and which is performed on a holiday designated by Federal statute or Executive order, shall be compensated at the rate of basic compensation of the officer or employee performing such work on a holiday plus premium compensation at a rate equal to the rate of basic compensation of such officer or employee.

"'(b) Any officer or employee who is required to perform any work on such a holiday shall be compensated for at least two hours of such work, and any such premium compensation due under the provisions of this section shall be in addition to any premium compensation which may be due for the same work under the provisions of section 301 of this Act providing premium compensation for nightwork.

"'(c) Overtime work, as defined in section 201 of this Act, on Sundays and such holidays shall be compensated in accordance with the provisions of such section 201.'

"*Special provisions for certain types of work*

"SEC. 208. (a) The Federal Employees Pay Act of 1945, as amended, is amended by inserting after title III thereof a new title to read as follows:

"'TITLE IV—SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK

"'SEC. 401. The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, or of the municipal government of the District of Columbia may, with the approval of the Civil Service Commission, provide that—

"'(1) any officer or employee in a position requiring him regularly to remain at, or within the confines of, his station during longer than ordinary periods of duty, a substantial part of which consists of remaining in a standby status rather than performing work, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this Act. Premium compensation under this paragraph shall be determined as an appropriate percentage (not in excess of 25 per centum) of such part of the rate of basic compensation for any such position as does not exceed the minimum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, by taking into consideration the number of hours of actual work required in such position, the number of hours required in a standby status at or within the confines of the station, the extent to which the duties of such position are made more onerous by night or holiday work, or by being extended over periods of more than forty hours a week, and any other relative factors; or

"'(2) any officer or employee in a position in which the hours of duty cannot be controlled administratively, and which requires substantial amounts of irregular, unscheduled, overtime duty and duty at night and on holidays with the officer or employee generally being responsible for recognizing, without supervision, circumstances which require him to remain on duty, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this Act, except for regularly scheduled overtime duty. Premium compensation under this paragraph shall be determined as an appropriate percentage (not in excess of 15 per centum) of such part of the rate of basic compensation for any such position as does not exceed the minimum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, by taking into consideration the frequency and duration of night, holiday, and unscheduled overtime duty required in such positions.'

"(b) Nothing contained in this section shall be construed to decrease the existing aggregate rate of compensation of any present employee, but when the position of such employee becomes vacant any subsequent appointee thereto shall receive premium compensation provided for such position in accordance with this section.

"*Limitation on premium compensation*

"SEC. 209. Section 603 of the Federal Employees Pay Act of 1945, as amended, and the heading immediately preceding such section are amended to read as follows:

"'*Limitation on premium compensation*

"'SEC. 603. (a) No premium compensation provided by this Act shall be paid to any officer or employee whose rate of basic compensation equals or exceeds the maximum scheduled rate of basic compensation provided for grade GS-15 in the Classification Act of 1949, as amended.

"'(b) In the case of any officer or employee whose rate of basic compensation is less than the maximum scheduled rate of basic compensation provided for grade GS-15 in the Classification Act of 1949, as amended, such premium compensation may be paid only to the extent that such payment would not cause his aggregate rate of compensation to exceed such maximum scheduled rate with respect to any pay period.'

"*Work schedules*

"SEC. 210. (a) The heading immediately preceding section 604 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"'*Establishment of basic workweek; work schedules; pay computation methods*'

"(b) Section 604 (a) of the Federal Employees Pay Act of 1945, as amended, is amended by inserting '(1)' after '(a)' and by adding at the end thereof a new paragraph as follows:

"'(2) Except where the head of each such department, establishment, or agency and of the municipal government of the District of Columbia determines that his organization would be seriously handicapped in carrying out its functions or that costs would be substantially increased, he shall provide, with respect to all officers and employees in his organization, (A) that assignments to tours of duty shall be scheduled in advance over periods of not less than one week, (B) that the basic forty-hour workweek shall be scheduled on five days, which shall be Monday through Friday wherever possible, and the two days outside the basic workweek shall be consecutive, (C) that the working hours in each day in the basic workweek shall be the same, (D) that the basic nonovertime workday shall not exceed eight hours, (E) that the occurrence of holidays shall not affect the designation of the basic workweek, and (F) that breaks in working hours of more than one hour shall not be scheduled in any basic workday.'

"SEC. 211. This title shall become effective at the beginning of the first pay period which begins more than sixty days after the date of enactment of this Act.

"TITLE III—GOVERNMENT EMPLOYEES' INCENTIVE AWARDS

"SEC. 301. This title may be cited as the 'Government Employees' Incentive Awards Act'.

"SEC. 302. The departmental awards program set forth in this title shall be carried out under such regulations and instructions as may be issued by the United States Civil Service Commission which shall annually report the results of the program, with related recommendations, to the President for transmittal to the Congress.

"SEC. 303. As used in this title, the term 'department' means an executive department or independent agency in the executive branch of the Government, including a Government-owned or controlled corporation (but not including the Tennessee Valley Authority), and also includes (a) the Administrative Office of the United States Courts, (b) the Library of Congress, (c) the Botanic Garden, (d) the Government Printing Office, (e) the Office of the Architect of the Capitol, and (f) the municipal government of the District of Columbia.

"SEC. 304. (a) The head of each department is authorized to pay cash awards to, and to incur necessary expenses for the honorary recognition of, civilian officers and employees of the Government who by their suggestions, inventions, superior accomplishments, or other personal efforts contribute to the efficiency, economy, or other improvement of Government operations or who perform special acts or services in the public interest in connection with or related to their official employment.

"(b) In instances determined by the President to warrant such action, he is authorized to pay cash awards to, and to incur necessary expenses for the honorary recognition of, civilian officers and employees of the Government who by their suggestions, inventions, superior accomplishments, or other personal efforts contribute to the efficiency, economy, or other improvement of Government operations, or who perform exceptionally meritorious special acts or services in the public interest in connection with or related to their official employment, and any such Presidential awards may be in addition to the departmental awards authorized in subsection (a) of this section.

"(c) Awards under this section may be paid notwithstanding the death or separation from the service of the officer or employee concerned: *Provided*, That the suggestions, inventions, superior accomplishments, other personal efforts, or special acts or services in the public interest forming the basis for the awards are made or rendered while the officer or employee is in the employ of the Government.

"(d) A cash award under this section shall be in addition to the regular compensation of the recipient and the acceptance of such cash award shall constitute an agreement that the use by the Government of the United States or the municipal government of the District of Columbia of any idea, method or device for which the award is made shall not form the basis of a further claim of any nature upon the Government of the United States or the municipal government of the District of Columbia by the employee, his heirs, or assigns.

"(e) Awards to employees and expenses for the honorary recognition of employees may be paid from the funds or appropriations available to the activity primarily benefiting or may be paid from the several funds or appropriations of the various activities benefiting as may be determined by the President for awards under subsection (b) of this section, and by the head of the department concerned for awards under subsection (a) of this section.

"(f) An award under this title shall be given due weight in qualifying and selecting employees for promotion.

"(g) A monetary award granted under this title shall not exceed $5,000, except that an award in excess of such amount but not in excess of $25,000 may be granted, with the approval of the Commission, in special cases in which the head of a department certifies to the Commission that the suggestion, invention, superior accomplishment, or other meritorious effort for which such award is proposed to be made is highly exceptional and unusually outstanding.

"SEC. 305. The following laws and parts of laws are hereby repealed:

"(a) Sections 702, 1002, and 1003 of the Classification Act of 1949 (63 Stat. 954; 5 U. S. C. 1122, 1152, 1153).

"(b) Section 14 of the Act entitled 'An Act to authorize certain administrative expenses in the Government service, and for other purposes', approved August 2, 1946 (60 Stat. 809; 5 U. S. C. 116a).

"(c) The Act entitled 'An Act authorizing payments of rewards to postal employees for inventions', approved December 3, 1945 (59 Stat. 591; 39 U. S. C. 813).

"(d) The Act entitled 'An Act authorizing the Secretary of War to pay a cash award for suggestions submitted by employees of certain establishments of the Ordnance Department for improvement or economy in manufacturing process or plant', approved July 17, 1912 (37 Stat. 193; 50 U. S. C. 58).

"(e) The Act entitled 'An Act to provide equitable compensation for useful suggestions or inventions by personnel of the Department of the Interior', approved June 26, 1944 (58 Stat. 360; 5 U. S. C. 500).

"(f) Subsections (a) and (b) of section 35 of the Act entitled 'An Act to enact certain provisions now included in the Naval Appropriation Act, 1946, and for other purposes', approved August 2, 1946 (60 Stat. 857; 5 U. S. C. 416).

"(g) The joint resolution entitled 'Joint Resolution to provide cash awards to personnel of the Maritime Commission and the War Shipping Administration for useful suggestions to improve administration of their activities', approved March 13, 1944 (58 Stat. 115; 46 U. S. C. 1111b).

"(h) All other laws or parts of laws inconsistent with this Act are hereby repealed to the extent of such inconsistency.

"SEC. 306. The enactment of this title shall not affect the right of any employee to an award granted him under any provision of law repealed by this title.

"SEC. 307. This title shall take effect on the ninetieth day after the date of its enactment.

"TITLE IV—UNIFORM ALLOWANCES

"SEC. 401. This title may be cited as the 'Federal Employees Uniform Allowance Act'.

"SEC. 402. There is hereby authorized to be appropriated annually to each agency of the Government of the United States or of the District of Columbia (including Government-owned corporations), upon a showing of the necessity or desirability thereof, an amount not to exceed $100 multiplied by the number of the employees of such agency who are required by regulation existing on the date of enactment of this Act or by law to wear a prescribed uniform in the performance of his or her official duties and who are not being furnished with such uniform. The head of any agency to which any such appropriation is made shall, out of funds made available by such appropriation, (1) furnish to each such employee such uniform at a cost not to exceed $100 per annum, or (2) pay to each such employee an allowance for defraying the expenses of acquisition of such uniform at such times and in such amounts, not to exceed $100 per annum, as may be prescribed in accordance with rules and regulations promulgated pursuant to section 404. Where the furnishing of a uniform or the payment of a uniform allowance is authorized under any other provision of law or regulation existing on the date of enactment of this Act, the head of the agency may in his discretion continue the furnishing of such uniform or the payment of such allowance under such law or regulation, but where a uniform is furnished or allowance paid under any such law or regulation no uniform shall be furnished or allowance paid under this section.

"SEC. 403. Allowances paid under this title shall not be considered as pay, salary, or compensation within the meaning of the Civil Service Retirement Act of May 29, 1930, as amended, or as wages within the meaning of section 209 of the Social Security Act, as amended, or chapters 21 and 24 of the Internal Revenue Code of 1954.

"SEC. 404. The Director of the Bureau of the Budget is authorized and directed to promulgate such rules and regulations as may be necessary to provide for the uniform administration of this title.

"TITLE V—ANNUAL LEAVE

"SEC. 501. Clause (6) of section 2 of the Act of August 3, 1950, as amended by section 5 of the Act of July 2, 1953, is amended to read as follows: '(6) payment for all accumulated and current accrued annual or vacation leave equal to the compensation the decedent would have received had he remained in the service until the expiration of the period of such annual or vacation leave; except that such lump-sum payment shall not include compensation for any period of accumulated leave in excess of thirty days, plus current accrued leave, or in excess of the number of days of accumulated leave to which he is entitled on the date of separation (excluding accumulated leave earned in the 1954 leave year and thereafter), plus current accrued leave, whichever is the greater.'

"SEC. 502. Section 6 of the Act of July 2, 1953 (Public Law 102, Eighty-third Congress), is hereby repealed.

"SEC. 503. Section 501 of this title shall take effect as of September 1, 1953.

"TITLE VI—MISCELLANEOUS PROVISIONS

"SEC. 601. (a) Section 2 (b) of the Performance Rating Act of 1950 (5 U. S. C., sec. 2001) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following:

"'(12) The Central Intelligence Agency.'

"(b) Section 9 of the Central Intelligence Agency Act of 1949, as amended (50 U. S. C., sec. 403i), is hereby repealed.

"SEC. 602. (a) Subsection (a) of section 1310 of the Supplemental Appropriation Act, 1952 (Public Law 253, Eighty-second Congress), as amended, is amended to read as follows:

"'(a) The Civil Service Commission and the heads of the executive departments, agencies, and corporations shall make full use of their authority to require that initial appointments to positions in and outside the competitive civil service shall be made on other than a permanent basis in order to prevent increases in the number of permanent personnel of the Federal Government in excess of 10 per centum above the total number of permanent employees on September 1, 1950: *Provided*, That any position vacated by a permanent employee called to military service or transferred to a national defense agency shall not be filled except on a temporary or indefinite basis. All appointments, reinstatements, transfers, and promotions to positions subject to the Classification Act of 1949 shall be made with the condition and notice to each individual appointed, reinstated, transferred, or promoted that the classification grade of the position is subject to post-audit and correction by the appropriate departmental or agency personnel office or the Civil Service Commission.'

"(b) Such section 1310 is further amended by adding at the end thereof the following new subsection:

"'(e) This section does not and shall not be construed to amend or modify the Veterans' Preference Act of 1944 (Public Law 359, Seventy-eighth Congress), as amended.'

"SEC. 603. The Official Reporters of the proceedings and debates of the Senate and their employees shall be considered to be officers or employees in or under the legislative branch of the Government within the meaning of the provisions of section 2 (a) of the Federal Employees' Group Life Insurance Act of 1954.

"SEC. 604. An Act entitled 'An Act authorizing the employment of mail messengers in the postal service', approved March 3, 1887 (39 U. S. C., sec. 578), is amended by adding at the end thereof the following new paragraph:

"'The Postmaster General may, in his discretion and under such regulations as he may prescribe, readjust the compensation of the holder of any contract for the performance of mail-messenger service on account of increased or decreased costs occasioned by changed conditions which could not reasonably have been anticipated at the time such contract was made.'"

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment as follows: In lieu of the amended title proposed by the Senate amendment, amend the title so as to read: "An Act to provide certain employment benefits for employees of the Federal Government, and for other purposes."

EDWARD H. REES,
JOEL T. BROYHILL,
TOM MURRAY,
Managers on the Part of the House.

FRANK CARLSON,
JAMES H. DUFF,
OLIN D. JOHNSTON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2263) to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment strikes out all of the House bill after the enacting clause. The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment, and that the Senate agree to the same.

The House bill related only to the granting of authority to the Postmaster General to readjust the compensation of the holders of mail messenger service contracts to reflect certain changes in operating costs. The Senate amendment (which does not contain any such provision) consists of six titles, as follows: Title I (containing amendments to the Classification Act of 1949), title II (containing amendments to the Federal Employees Pay Act of 1945), title III (providing for a program of incentive awards for Government employees), title IV (providing for uniform allowances for Government employees), title V (relating to annual leave of Government employees), and title VI (containing certain provisions relating to miscellaneous subjects).

The following statement discusses the provisions of the conference substitute and notes the similarities and differences between the conference substitute and the Senate amendment and the conference substitute and related provisions of S. 2665 as reported to the House by the Committee on Post Office and Civil Service of the House.

TITLE I—AMENDMENTS TO CLASSIFICATION ACT OF 1949, AS AMENDED

Number of positions in grades 16, 17, and 18 of the General Schedule

Section 101 of the Senate amendment and section 103 of S. 2665, as reported to the House, relate to the number of positions authorized in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949.

Subsection (a) of section 101 of the Senate amendment and subsection (a) of section 103 of S. 2665, as reported to the House, amend section 505 of the Classification Act of 1949, as amended. Such section 505 now provides that at any one time there shall not be more than 300 positions in grade GS–16, not more than 75 positions in grade GS–17, and not more than 25 positions in grade GS–18, making a total of 400 positions in these so-called super grades. Such section 505, as amended by subsection (a) of section 101 of the Senate amendment, provides that at any one time there shall not be more than 400 positions in grade 16 of the General Schedule, not more than 115 positions in grade 17 of the General Schedule, and not more than 35 positions in grade 18 of the General Schedule, making a total of 550 positions. Such section 505, as amended by subsection (a) of section 103 of S. 2665, as reported to the House, provides

that at any one time there shall not be more than 396 positions in grade GS–16, not more than 123 positions in grade GS–17, and not more than 31 positions in grade GS–18, making a total of 550 positions. The conference substitute contains the provisions of the Senate amendment with respect to the number of positions in grades 16, 17, and 18 of the General Schedule.

Both subsection (a) of section 101 of the Senate amendment and subsection (a) of section 103 of S. 2665, as reported to the House, continue the provisions of section 505 of the Classification Act of 1949 which require (1) that positions may be placed in grades GS–16 and GS–17 only by action of, or after prior approval by, the Civil Service Commission, and (2) that positions may be placed in or removed from grade GS–18 only by the President upon recommendation of the Civil Service Commission. The conference substitute also continues these provisions.

Such section 505, as amended by subsection (a) of section 101 of the Senate amendment, also provides that positions of senior specialists in the Legislative Reference Service of the Library of Congress which may be established under section 203 (b) (1) of the Legislative Reorganization Act of 1946 may be in addition to those authorized by the other provisions of section 505. No such provision is contained in S. 2665, as reported to the House. The conference substitute contains this provision of the Senate amendment.

Subsection (b) of section 101 of the conference substitute provides that the amendment made by subsection (a) shall not affect positions allocated to grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended, pursuant to provisions of law (other than such Act) and reorganization plans in effect prior to the effective date of such section 101. The Senate amendment and S. 2665, as reported to the House, contain the same provision.

Longevity step-increases

Subsection (a) (1) of section 102 of the conference substitute amends subsection (a) of section 703 of the Classification Act of 1949, as amended, to provide that, if an employee who has earned credit toward the required 3-year longevity period at the maximum rate or a longevity rate of his grade is transferred to the maximum rate or a longevity rate of a lower grade, the credit earned by such employee in the higher grade shall apply toward a longevity step-increase in the lower grade. Under such subsection (a) of section 703 of the Classification Act of 1949 as now in effect, an employee has to begin his 3-year longevity period over again when he is reduced in grade. Subsection (a) (1) of section 102 of the Senate amendment contains the same provision. There is no comparable provision in S. 2665, as reported to the House.

Subsection (a) (2) of section 102 of the conference substitute amends subsection (b) (1) of section 703 of the Classification Act of 1949, as amended, to provide that no officer or employee in a position in any grade above grade 15 of the General Schedule shall be entitled to a longevity step-increase. Such section 703 (b) (1) now provides that no officer or employee in a position in any grade above grade 10 of the General Schedule shall be entitled to a longevity step-increase. Both subsection (a) (2) of section 102 of the Senate amendment and subsection (a) of section 104 of S. 2665, as reported to the House, contain this provision of the conference substitute.

Subsection (b) of section 102 of the conference substitute provides that the amendments made by subsection (a) shall take effect at the beginning of the first pay period after the date of enactment of the conference substitute. The Senate amendment and S. 2665, as reported to the House, contain the same effective date provisions.

Subsection (a) of section 103 of the conference substitute amends section 704 of the Classification Act of 1949, as amended. Such section 704, as so amended, provides that, in the case of employees in grades 11 to 15, inclusive, of the General Schedule, not to exceed 3 years of service performed immediately prior to the effective date of the amendment at or above the maximum scheduled rates for their respective grades shall be counted toward longevity step-increases. For grade GS–15, which has within-grade compensation steps of $250, longevity step-increases are limited to $200. These same provisions are also contained in subsection (a) of section 103 of the Senate amendment and subsection (a) of section 105 of S. 2665, as reported to the House.

Subsection (b) of section 103 of the conference substitute provides that this amendment shall become effective at the beginning of the first pay period after the date of enactment of the conference substitute. The Senate amendment and S. 2665, as reported to the House, contain the same effective date provisions.

Recruitment above the minimum rate of the class

Section 104 of the conference substitute amends section 803 of the Classification Act of 1949, as amended. Such section 803, as so amended, relates to the recruitment of employees at pay rates above the statutory minimum rate for a class of positions when authorized, under certain conditions, by the Civil Service Commission. Under section 801 of the Classification Act of 1949, each original appointment to any position under such Act must be at the minimum per annum rate of the grade in which such position is classified. At times the inflexibility of this provision has constituted an impediment to the recruitment of a sufficient number of qualified eligibles to fill positions in a given class in certain areas.

Subsection (a) of section 803 of the Classification Act of 1949, as amended by section 104 of the conference substitute, provides that whenever the Civil Service Commission finds with respect to any area or location (1) that a sufficient number of qualified eligibles for positions in a given class cannot be secured at the existing minimum rate for such class, and (2) that there is a possibility of securing a sufficient number of such eligibles by increasing the minimum rate for such class of positions in such area or location, the Commission may establish one of the within-grade step rates above the statutory minimum rate of the appropriate grade for such class of positions as the minimum or entrance rate for such class of positions in such area or location.

Subsection (b) of section 803 of the Classification Act of 1949, as amended by section 104 of the conference substitute, authorizes the Civil Service Commission to revise, from time to time, such higher minimum rates as it may establish under subsection (a). Subsection (b) also provides that such rates or any revisions thereof established under section 803 shall have the force and effect of law.

Subsection (c) of the amended section 803 provides that any increase in rate of basic compensation under section 803 shall not be regarded as an "equivalent increase" in compensation within the meaning of section 701 (a) of the Classification Act of 1949 (which relates to within-grade step-increases).

These same provisions with respect to recruitment above the minimum rate of the class are also contained in section 104 of the Senate amendment and section 106 of S. 2665, as reported to the House.

Exclusion from Classification Act of 1949 of crafts, trades, and labor positions and application of prevailing wage policy to such positions

Subsection (a) of section 105 of the conference substitute amends paragraph (7) of section 202 of the Classification Act of 1949, as amended. Paragraph (7), as so amended, removes from the coverage of that act employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor occupations, the duties of which involve the maintenance and operation of public buildings and associated equipment or the performance of work in scientific or engineering laboratories as assistants to scientists or engineers, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and knowledge as the paramount requirement. Paragraph (7), as so amended, also provides that the compensation of such employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates (as is the case with respect to other employees who come within the purview of this paragraph), except that where, in the opinion of the employing agency and the Civil Service Commission, it is impracticable to do so because of the small number of these employees in any given area, the rates of compensation for such employees in that particular area shall be fixed at rates of compensation prescribed in the Classification Act of 1949, as amended, for positions of equivalent difficulty or responsibility. The effective date of section 105 of the conference substitute is provided for in section 110 (a) of the conference substitute, which provides that section 105 shall take effect on the date or dates specified by the head of a department, but not earlier than the first day of the second pay period which begins after the date of enactment of the conference substitute, and not later than the first day of the first pay period which begins more than 12 months after the date of enactment of the conference substitute, with respect to each employee and position in such department within the purview of such section 105.

The change made by subsection (a) of section 105 of the conference substitute will affect about 69,000 crafts, trades, and manual-labor employees. Of this number, approximately 37,000 are employed by the Veterans' Administration and 16,000 in the General Services Administration, with others spread throughout a number of agencies. Some of these employees will receive increased pay when they are moved to a prevailing-rate-pay system. As provided in section 114 of the conference substitute, no employee will have his present pay reduced as a result of such change.

Both subsection (a) of section 105 of the Senate amendment and section 107 of S. 2665, as reported to the House, contain the above provisions.

Subsection (b) of section 105 of the conference substitute amends section 204 (c) of the Classification Act of 1949, as amended, to permit the Architect of the Capitol to compensate, on the basis of prevailing wage rates, those employees in crafts and labor occupations now compensated under the crafts, protective, and custodial schedule of the Classification Act of 1949. This provision is also contained in subsection (b) of section 105 of the Senate amendment but is not contained in S. 2665, as reported to the House.

Transfer of certain positions from the crafts, protective, and custodial schedule to the general schedule

Subsection (a) of section 106 of the conference substitute directs the conversion

from the crafts, protective, and custodial schedule to the general schedule of all positions which do not go to the prevailing-wage system by virtue of the amendment made by section 105 of the conference substitute to paragraph (7) of section 202 of the Classification Act of 1949. Such positions which are in grades CPC–1, 2, and 3 shall be placed in grade GS–1 and such positions which are in grades CPC–4, 5, 6, 7, 8, 9, and 10 shall be placed in grades GS–2, 3, 4, 5, 6, 7, and 8, respectively. No such action may be taken prior to the first day of the second pay period beginning after the date of enactment of the conference substitute nor later than the first day of the first pay period beginning more than 6 months after such date of enactment.

Subsection (b) of section 106 of the conference substitute prescribes the following rules by which the existing pay rates of employees under the crafts, protective, and custodial schedule are to be initially adjusted to the rates in the general schedule:

(1) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is less than the minimum scheduled rate of the grade in the general schedule in which his position is placed, shall have his compensation increased to such minimum rate;

(2) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is equal to one of the scheduled or longevity rates of the grade in the general schedule in which his position is placed, shall be paid at such scheduled or longevity rate;

(3) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is at a rate between 2 scheduled or 2 longevity rates, or between a scheduled rate and a longevity rate, of the grade in the general schedule in which his position is placed, shall be paid compensation at the higher of such 2 rates;

(4) Each employee paid at a rate of basic compensation in the crafts, protective, and custodial schedule which is in excess of the maximum longevity rate of the grade in the general schedule in which his position is placed, shall continue to be paid basic compensation without any change in rate until he either leaves such position or is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant the rate of basic compensation of any subsequent appointee shall be fixed in accordance with the Classification Act of 1949, as amended.

Subsection (c) of section 106 of the conference substitute provides that the conversion of positions to grades of the general schedule under such section 106, and the initial adjustments in compensation prescribed in such section, shall not be construed to be transfers or promotions within the meaning of section 802 (b) of the Classification Act of 1949, as amended, and regulations issued thereunder.

The conversion prescribed in this section of the conference substitute will affect about 47,000 employees, mostly guards, messengers, and fire fighters, the majority of which are in the Department of Defense and General Services Administration. Most of these employees would receive small pay increases by conversion of their positions to the general schedule. Like the CPC workers who are moved to a prevailing-rate system, none would have his present pay reduced.

Both section 106 of the Senate amendment and section 108 of S. 2665, as reported to the House, contain identical provisions with respect to the transfer to the General Schedule of the above-mentioned positions in the crafts, protective, and custodial schedule.

Abolishment of crafts, protective and custodial schedule

Sections 107, 108, and 109 of the conference substitute abolish the crafts, protective, and custodial schedule by making necessary revisions in the language of the Classification Act of 1949 to effect that action.

Section 107 deletes from section 601 of the Classification Act of 1949 reference to the crafts, protective, and custodial schedule.

Section 108 deletes from section 602 of the Classification Act of 1949 the grade level definitions of the crafts, protective, and custodial schedule.

Section 109 deletes from section 603 of the Classification Act of 1949 the entire crafts, protective, and custodial schedule, incidental references to such schedule, and paragraph (c) (2) of such section relating to the rates of pay of charwomen and head charwomen.

Section 110 of the conference substitute relates to the dates on which sections 105, 107, 108, and 109 of the conference substitute shall become effective.

Subsection (a) of section 110 provides that section 105 (relating to the conversion of employees and positions to prevailing-wage rate basis) shall be effective on the date or dates specified by the head of a department but not earlier than the beginning of the second pay period following the date of enactment of the conference substitute nor later than the first day of the first pay period beginning more than 12 months after such date of enactment.

Subsection (b) of section 110 provides that, with respect to employees and positions in a given department, the crafts, protective, and custodial schedule shall be abolished effective upon the completion of the conversion of employees and positions to prevailing-wage rate basis under section 105 and the conversion of the remaining employees and positions to the general schedule under section 106, but, in any event, not later than the first day of the first pay period beginning more than 12 months after the date of enactment of the conference substitute.

These above-discussed provisions of the conference substitute relating to the abolishment of the crafts, protective, and custodial schedule are also contained in sections 107, 108, 109, and 110 of the Senate amendment and in sections 109, 110, 111, and 112 of S. 2665, as reported to the House.

Miscellaneous provisions

Section 111 of the conference substitute deletes from section 604 of the Classification Act of 1949 certain obsolete rules for the adjustment of basic compensation to the original pay scales of the Classification Act of 1949. One necessary provision, a broad savings clause, is retained.

Section 112 of the conference substitute makes certain changes in references to section 604 of the Classification Act of 1949 which are made necessary by the amendment to such section made by section 111.

Section 113 of the conference substitute authorizes the Civil Service Commission to issue regulations for the administration of title I of the conference substitute.

Section 114 of the conference substitute is a general overall compensation saving provision. It provides that nothing in title I of the conference substitute shall be construed to reduce the existing rate of basic compensation of any present employee, when, for example, he is changed from one schedule to another or from a scheduled rate of pay to a prevailing-rate basis, or by reason of any other provision of title I. However, when he vacates his position, the compensation of any subsequent appointee to such position will be fixed in accordance with the regular scale of pay applicable to such position.

Section 115 of the conference substitute provides that the term "department" shall have the same meaning in title I of the conference substitute as when used in the Classification Act of 1949, as amended.

These above-discussed miscellaneous provisions of title I of the conference substitute are the same as sections 111, 112, 113, and 114 of the Senate amendment and sections 113, 114, 115, and 116 of S. 2665, as reported to the House.

TITLE II—AMENDMENTS TO THE FEDERAL EMPLOYEES PAY ACT OF 1945, AS AMENDED

Title II of the conference substitute contains amendments to the Federal Employees Pay Act of 1945, as amended. Title II of the conference substitute, except sections 203 and 208 (a) thereof, is the same as title II of the Senate amendment and title II of S. 2665, as reported to the House.

Section 201 of the conference substitute provides that title II may be cited as the "Federal Employees Pay Act Amendments of 1954".

Coverage

Section 202 of the conference substitute makes the coverage of the new title IV added by the conference substitute to the Federal Employees Pay Act of 1945, as amended, the same as the coverage of other overtime, night, and holiday-pay provisions of that act. Section 202 also repeals an obsolete subsection (subsec. (b) of sec. 101) of the Federal Employees Pay Act of 1945, as amended.

Compensation for overtime work

The present provisions of section 201 of the Federal Employees Pay Act of 1945, as amended, establish a time-and-one-half rate of overtime pay for employees whose basic salaries are less than $2,980 per annum and a diminishing scale of overtime pay for employees whose basic salaries are $2,980 or more per annum. Both section 203 of the Senate amendment and section 203 of S. 2665, as reported to the House, amend section 201 of the Federal Employees Pay Act of 1945, as amended, in order to provide overtime pay at a time-and-one-half rate for employees whose basic salaries do not exceed the maximum scheduled rate of grade GS–9. For employees above that salary level, such sections of the Senate amendment and S. 2665, as reported to the House, provide overtime pay at a rate equivalent to time-and-one-half at such maximum scheduled rate of grade GS–9, or at their respective rates of basic compensation, whichever is greater. Section 203 of the conference substitute changes such provisions of the Senate amendment and S. 2665, as reported to the House, by providing for (1) overtime pay at a time-and-one-half rate for employees whose basic salaries do not exceed the minimum (instead of maximum) scheduled rate of grade GS–9, and (2) overtime pay at a rate equivalent to time-and-one-half at such minimum scheduled rate of grade GS–9 for employees whose basic salaries do exceed such minimum scheduled rate of grade GS–9.

Section 204 of the conference substitute amends section 202 (a) of the Federal Employees Pay Act of 1945, as amended, in order to give agency heads the authority, which they do not now have, to require employees at salaries above the maximum scheduled rate of grade GS–9 to take compensatory time off instead of receiving overtime pay for irregular or occasional overtime duties. The amendment made by section 204 also continues existing authority for granting compensatory time off, at the request of an employee, in place of pay for irregular or occasional overtime work. In both instances, the time off so provided will compensate the employee for an equal amount of time spent by him in irregular or occasional overtime work.

Call-back overtime and time in travel status

Subsection (a) of section 205 of the conference substitute redesignates section 203 of the Federal Employees Pay Act of 1945, as amended, as section 205 of that act and contains language which, in effect, amends all references to such section 203 elsewhere in existing law to conform with such redesignation.

Subsection (b) of section 205 of the conference substitute adds new sections 203 and 204 to the Federal Employees Pay Act of 1945, as amended.

The new section 203 provides a minimum of 2 hours of pay at the overtime rate for any employee who is called back to perform unscheduled overtime work either on a regular workday after he has completed his regular schedule of work and left his place of employment or on one of the days when he is off duty.

The new section 204 places on a statutory basis those principles now established by decisions of the Comptroller General which relate to time spent in a travel status away from the official duty station of an officer or employee. Under the new section 204 such time is treated as hours of employment only when: (1) within the regularly scheduled workweek, including regularly scheduled overtime, of the officer or employee, or (2) the travel involves the performance of work while traveling or is carried out under arduous conditions which have the effect of making such travel inseparable from work.

Compensation for night and holiday work

Section 206 of the conference substitute amends the night-differential-pay provisions of section 301 of the Federal Employees Pay Act of 1945, as amended. The amendment made by section 206 does not change the existing 10 percent rate of night differential for regularly scheduled work between 6 p. m. and 6 a. m. At present employees receive night differential only for hours actually worked. New provisions contained in the amendment made by section 206 liberalize this existing requirement that hours be actually worked by allowing an employee whose regular tour of duty includes nightwork to be paid night differential: (1) for his regular nightwork hours when he does not work because of a holiday, and (2) for periods of leave with pay during any pay period in which his leave totals less than 8 hours. The amendment made by section 206 also authorizes agency heads to change the night-differential period at overseas posts to the extent required to relieve such agencies of the necessity for paying night differential during hours that are customary hours of business in the locality concerned.

Section 207 of the conference substitute amends the holiday-pay provisions of section 302 of the Federal Employees Pay Act of 1945, as amended. The amendment made by section 207 continues the existing provision for extra pay at the straight-time rate, in addition to pay at the regular rate, for work on a holiday within the 40-hour basic workweek of an employee. The amendment also adds a new provision guaranteeing a minimum of 2 hours of pay at the holiday rate for any employee required to work on a holiday. The amendment also provides that any extra pay for an employee at the holiday rate shall be in addition to the differential of 10 percent which such employee is entitled to receive for a regularly scheduled tour of duty performed by him at night on a holiday, each such rate of premium compensation for such holiday or night work being computed separately on the rate of basic compensation of the employee concerned. In addition, the amendment states explicitly the policy which is implicit in existing provisions of the Federal Employees Pay Act of 1945, as amended, that is, that overtime work on Sundays and holidays is to be compensated at the same rates as overtime work on other days.

Special provisions for certain types of work

Subsection (a) of section 208 of the conference substitute adds a new title IV to the Federal Employees Pay Act of 1945, as amended.

Paragraph (1) of section 401 (a) of the new title IV authorizes agency heads to allow additional annual pay at rates up to 25 percent of base-pay rates, in lieu of all overtime, night, and holiday pay, for employees who are required, by reason of the duties of their positions, to remain at or within the confines of their stations during longer than ordinary periods of duty but who spend a substantial part of their time on duty in a standby status rather than actually performing work.

Additional annual pay granted under such paragraph (1) will be determined after consideration of the following factors: (1) The number of hours of actual work required in each of such positions, (2) the number of hours required in a standby status at or within the confines of the station, (3) the extent to which the duties of each such position are made more onerous by night or holiday work or by being extended over periods of more than 40 hours a week, and (4) any other factors relative to the determination of such additional annual pay.

Paragraph (2) of section 401 (a) of the new title IV authorizes agency heads to allow additional annual pay at rates up to 15 percent of base-pay rates, in lieu of other pay for irregular or unscheduled overtime duty and for night and holiday duty, for those employees whose hours of duty cannot be controlled administratively and who are required to perform substantial amounts of irregular, unscheduled, overtime and night and holiday duty, each employee generally being responsible for recognizing (without supervision) circumstances which require him to remain on duty. Each such employee will receive other overtime pay, computed in the usual manner, for regularly scheduled overtime work which is officially ordered or approved. Paragraph (2) is designed specifically to permit this form of additional compensation for those investigators of criminal activities whose positions meet all the conditions specified in such paragraph. Paragraph (2) also will permit similar payments to employees in other types of positions with respect to which all these conditions exist in like degree.

Additional annual pay granted under such paragraph (2) will be determined after consideration of the frequency and duration of night, holiday, and unscheduled overtime duty required in each of such positions.

Additonal annual pay under the new title IV is subject to the approval of the Civil Service Commission.

It should be noted that under the Senate amendment and S. 2665, as reported to the House, such additional annual pay is to be computed on only that part of the base pay of an employee which does not exceed the maximum scheduled rate of basic compensation provided for grade GS-9 of the Classification Act of 1949, as amended. Under the conference substitute such additional annual pay is to be computed on only that part of the base pay of an employee which does not exceed the minimum (instead of the maximum) scheduled rate of such grade GS-9.

Section 401 (b) of the new title IV as contained in the Senate amendment and S. 2665, as reported to the House, provided that the new title IV shall not apply to firefighting personnel. The Senate amendment and S. 2665, as reported to the House, thus excluded firefighters from those categories of personnel who would be eligible to receive up to 25 percent additional annual pay in lieu of other premium compensation for long periods of standby duty. As a result, firefighters would have continued to be paid for overtime, night, and holiday duty under provisions (other than the new title IV) of the Federal Employees Pay Act of 1945, as amended, which relate to such duty. This provision was included in the Senate amendment and S. 2665, as reported to the House, in order to prevent a reduction in compensation for a number of firefighters now in the service who are receiving more than 25 percent additional pay by virtue of overtime, holiday, and night differential now authorized.

The conference substitute changes these provisions of the Senate amendment and S. 2665, as reported to the House, by providing that the new title IV shall apply to firefighters. For the future, the committee of conference agreed that new firefighting employees should receive up to 25 percent additional annual compensation in lieu of other premium compensation for their long periods of standby duty, in order to avoid the complexities which arise in attempting to determine premium compensation for night, overtime, and holiday work caused by long periods of standby duty frequently performed by firefighting personnel. The committee of conference further agreed, however, that the pay of those firefighters now in the service who receive more than the 25 percent additional pay provided by the conference substitute should not be reduced. This is accomplished by section 208 (b) of the conference substitute which provides that the provisions of the new title IV added by section 208 (a) of the conference substitute to the Federal Employees Pay Act of 1945, as amended, shall not be construed to decrease the existing aggregate rate of compensation of any present employee. If, however, the position of such present employee should become vacant in the future, any subsequent appointee to such position will receive premium compensation for such position in accordance with the provisions of such new title IV.

Subsection (b) of section 208 of the conference substitute provides that the provisions of the new title IV added by section 208 (a) to the Federal Employees Pay Act of 1945, as amended, shall not be construed to decrease the existing aggregate rate of compensation of any present employee. If, however, the position of such present employee should become vacant in the future, any subsequent appointee to such position will receive premium compensation for such position in accordance with the provisions of such new title IV.

Limitation on premium compensation

Section 209 of the conference substitute amends section 603 of the Federal Employees Pay Act of 1945, as amended, to provide new limitations with respect to receipt of premium compensation which will replace the existing limitations contained in such section 603.

Subsection (a) of such section 603, as so amended, provides that no premium compensation will be paid, under the amendments made by title II of the conference substitute, for overtime, night, or holiday work, to any officer or employee whose rate of basic compensation equals or exceeds the maximum scheduled rate of basic compensation provided for grade GS-15 in the general schedule of the Classification Act of 1949, as amended.

Subsection (b) of such section 603, as so amended, provides that, in the case of any officer or employee whose rate of basic compensation is less than the maximum scheduled rate of basic compensation provided for grade GS-15 in the Classification Act of 1949, as amended, such premium compensation may be paid only to the extent that such payment would not cause his aggregate rate of compensation to exceed such

maximum scheduled rate with respect to any pay period.

The amendment made by section 209 of the conference substitute replaces the present ceiling rate of $10,330 in the Federal Employees Pay Act of 1945, as amended—a former maximum scheduled rate of the former grade CAF-15.

Work schedules

Section 210 of the conference substitute adds to section 604 (a) of the Federal Employees Pay Act of 1945, as amended, new provisions relating to the scheduling of tours of duty. Except where an agency head determines that his organization would be seriously handicapped in carrying out its functions or that costs would be substantially increased, the new provisions will require such agency head to provide for the following actions and policies with respect to all officers and employees in his organization: (1) Assignments to tours of duty shall be scheduled at least 1 week in advance, (2) the basic workweek of 40 hours shall be scheduled on 5 days (Monday through Friday, if possible) and the 2 days outside the basic workweek shall be consecutive, (3) the working hours on each day in the basic workweek shall be the same, (4) the basic nonovertime workday shall not exceed 8 hours, (5) the basic workweek shall not be altered because of the occurrence of a holiday, and (6) daily tours of duty shall not be split by offduty periods of more than 1 hour.

It should be noted that existing mandatory scheduling provisions of the Federal Employees Pay Act of 1945, as amended, will continue in effect. Such provisions require agencies to establish a basic workweek of 40 hours and require that the hours of work in such workweek be performed within a period of not more than 6 of any 7 consecutive days.

Effective date

Section 211 of the conference substitute provides that title II of the conference substitute shall become effective at the beginning of the first pay period which begins more than 60 days after the date of enactment of the conference substitute.

TITLE III—GOVERNMENT EMPLOYEES' INCENTIVE AWARDS

Section 301 of the conference substitute establishes for title III a short title, the "Government Employees' Incentive Awards Act."

Section 302 of the conference substitute states that the awards program under this title shall be carried out under regulations and instructions issued by the United States Civil Service Commission. It further provides that the Commission shall report the results of the program annually to the President for transmittal to the Congress.

Section 303 of the conference substitute defines the term "department." This section will place all Federal departments and agencies except the Tennessee Valley Authority under the provisions of this title.

Section 304 (a) of the conference substitute authorizes the head of each department to pay cash awards to and incur necessary expenses for the honorary recognition of civilian officers and employees of the Government in the following circumstances:

1. When such officers or employees have contributed to the efficiency, economy, or other improvement of Government operations by their suggestions, inventions, superior accomplishments or other personal efforts; or

2. When they have performed special acts or services in the public interest in connection with or related to their official employment.

Section 304 (b) of the conference substitute authorizes the President to pay cash awards to and incur necessary expenses for the honorary recognition of civilian officers and employees of the Government in addition to departmental awards authorized in section 304 (a) in circumstances where such additional awards or recognition are determined by the President to be warranted.

Section 304 (c) of the conference substitute provides that awards authorized in section 304 (a) and 304 (b) may be paid even though the official or employee has died or been separated from the service, provided that the suggestion or other contribution on which the award is based was made while he was in the Government's employ.

Section 304 (d) of the conference substitute provides that a cash award under this section shall be in addition to regular compensation of the officer or employee. It also is designed to protect the United States from a claim of any kind which might arise from the acceptance of a cash award by any employee, former employee, or his heirs or assigns. It should be understood that the inclusion of this subsection in the title in no way implies the existence of a claim against the United States in any case in which the award is not accepted or in which the recipient later deems it insufficient. This carries forward the language in existing law to be found in section 14 of the act entitled "An act to authorize certain administrative expenses in the Government service, and for other purposes" approved August 2, 1946, which section is repealed in section 305 hereinafter.

Section 304 (e) of the conference substitute authorizes departments to pay cash awards and expenses for honorary recognition from their general appropriations. In addition, it will permit two or more departments which have benefited from a single suggestion or other contribution to share in the cost of the award granted therefor. The President will determine the proportionate amount that each benefiting department will contribute in the case of those awards he authorizes, and the head of each department will determine the amount of the awards he authorizes.

Section 304 (f) of the conference substitute states that due weight shall be given to awards made under this title in considering employees for promotion.

Section 304 (g) of the conference substitute provides that no cash award paid under this title shall exceed $5,000, except that in special cases awards of not in excess of $25,000 may be granted, with approval of the Civil Service Commission, upon certification by the head of the department concerned.

Section 305 of the conference substitute repeals all existing laws governing incentive-awards programs. Section 702 of the Classification Act of 1949, which authorizes within-grade salary step increases for superior accomplishment, is among the laws repealed in this section.

Section 306 of the conference substitute provides that the enactment of this title shall not affect the right of any employee to an award granted him under any provision of law repealed by this title.

Section 307 of the conference substitute establishes the effective date of this title as 90 days after its enactment. This will give departments time to revise their awards programs in compliance with the provisions of this title.

The conference substitute adopts the language of title III of the Senate amendment, except for the addition of the monetary limitations in section 304 (g) and the saving clause in section 306 thereof which are discussed above. S. 2665, as reported to the House, contained language which is similar in effect to that of the Senate amendment, and in addition thereto contained the monetary limitations and the saving clause which are included in sections 304 (g) and 306, respectively, of the conference substitute.

TITLE IV—UNIFORM ALLOWANCES

Section 401 of the conference substitute establishes a short title, the "Federal Employees Uniform Allowance Act."

Section 402 of the conference substitute authorizes the annual appropriation of funds to Government agencies in amounts up to $100 multiplied by the estimated number of agency employees (1) who are required by existing regulation or by law to wear a prescribed uniform while on duty and (2) who are not furnished with the required uniform. Under rules issued by the Bureau of the Budget the agency head would have to furnish such uniform, or pay out of such appropriated funds, to each such employee to defray the expense of acquiring such uniform an allowance of not in excess of $100 per year as prescribed by agency regulations. Any amounts allowed for the same purpose under other law or regulation would be deducted from any allowance paid under this title.

Section 403 of the conference substitute provides that allowances paid under this title shall not be considered as pay salary or compensation within the meaning of the Civil Service Retirement Act of May 29, 1930, as amended, or as wages within the meaning of section 209 of the Social Security Act, as amended, or chapters 21 and 24 of the Internal Revenue Code of 1954.

Section 404 of the conference substitute authorizes and directs the Director of the Bureau of the Budget to issue necessary rules and regulations for the administration of this title.

The conference substitute adopts the language of the Senate amendment, except (1) for deletion of a provision therein for use of uniform allowances for upkeep of uniforms and (2) addition of language giving the agency head discretion to furnish such uniforms out of funds appropriated therefor, in lieu of a cash allowance for the purpose. S. 2665, as reported to the House, provided a comparable uniform allowance, but contained no provision which would make the appropriation of funds for the uniform allowances dependent upon a showing of the necessity or desirability thereof.

TITLE V—ANNUAL LEAVE

Section 501 of the conference substitute amends section 2 of the act of August 3, 1950, as amended by section 5 of the act of July 2, 1953, which provides, in part, for the lump-sum payment for all accumulated annual leave to survivors of deceased officers and employees in an amount equal to the compensation that the decedent would have received if he had remained in the service until the expiration of the period of such annual leave. Payment under existing law may be made for current accrued leave only where the total does not exceed 30 days. Section 501 so amends this provision to permit current accrued annual leave to be added to the accumulated leave and be paid in a lump-sum payment even though the total leave equals or exceeds the 30-day maximum.

Section 502 of the conference substitute repeals section 6 of the act of July 2, 1953, which directed departmental heads to take action for the reduction of accumulated annual leave credited to officers and employees which was in excess of amounts allowable under the applicable provisions of section 203 of the Annual and Sick Leave Act of 1951, as amended.

Section 503 of the conference substitute provides that title V shall take effect as of September 1, 1953.

TITLE VI—MISCELLANEOUS PROVISIONS

Section 601 (a) of the conference substitute amends section 2 (b) of the Performance Rating Act of 1950 by excluding the Central Intelligence Agency from the application of such act.

Section 601 (b) of the conference substitute repeals section 9 of the Central Intelligence Agency Act of 1949, as amended, which authorizes the Director of the Central Intelligence Agency to establish not more than three positions in the professional and scientific field in such Agency with compensation at rates (subject to Civil Service Commission approval) of not less than $13,100 nor more than $15,000 per annum. Such section 9 is no longer needed because of subsequent legislation.

These same provisions are also contained in subsections (a) and (b) of section 601 of the Senate amendment and subsections (a) and (b) of section 602 of S. 2665, as reported to the House.

Section 602 of the Senate amendment repeals section 1310 of the Supplemental Appropriation Act, 1952 (Public Law 253, Eighty-second Congress), as amended. S. 2665, as reported to the House, contains no comparable provision. The conference substitute modifies such section 1310, in lieu of outright repeal, as follows:

(1) The limitation in such section 1310 on the maximum allowable number of permanent personnel in the Federal Government (that is, the total number of permanent employees on September 1, 1950) is increased by 10 percent;

(2) the prohibition in such section 1310 against permanent reinstatements and permanent promotions is eliminated; and

(3) a new subsection (e) is added to such section 1310, providing that such section does not, and shall not be construed to, amend or modify the Veterans' Preference Act of 1944, as amended.

According to information received from the Civil Service Commission the first two numbered modifications of such section 1310 will permit the Commission to place in effect its proposed program to convert present indefinite employees in the competitive service to a permanent status and to provide a new system of appointments for the future.

The committee of conference understands that such program will include the following principles:

(1) Establishment of a new type of appointment to be designated "career-conditional";

(2) Automatic conversion of each present indefinite appointment, heretofore made in lieu of reinstatement, to a permanent appointment after a total of 3 years of service, or to a career-conditional appointment after a total of less than 3 years of service;

(3) Automatic conversion of each present indefinite appointment which was made after open competitive civil service examination to a permanent appointment after 3 years of continuous service, or to a career conditional appointment after less than 3 years of such service;

(4) Career-conditional appointments to persons employed in the future after open competitive civil service examinations, the first year to be a probationary period, such appointments to be converted automatically to permanent after 3 years;

(5) Immediate automatic conversion to permanent appointments of all indefinite appointments received by permanent employees as the result of promotions; and

(6) Continuance as indefinite appointments of present indefinite appointments made without open competitive civil service examination.

It is understood, also, that Executive Order 10180, dated November 13, 1950, will be rescinded and that a new executive order will be issued in place thereof to authorize the Civil Service Commission to place its career-conditional program in operation. As pointed out above, under the conference substitute the limitation on the maximum allowable number of permanent Federal personnel applies on a Government-wide basis, rather than by individual departments and establishments. In accordance with this policy, it is contemplated that neither permanent appointments nor career-conditional appointments will be allocated by the Commission to the various departments and establishments. Thus, both the overall limitation on permanent appointments provided by section 1310 of the Supplemental Appropriation Act, 1952, as amended by the conference substitute, and the giving of career-conditional and permanent appointments under the proposed career-conditional program of the Civil Service Commission will be applied on a Government-wide basis.

The third numbered modification of such section 1310 is merely a restatement of existing law for purposes of clarification and emphasis.

The conference substitute continues in force provisions of such section 1310 which were designed to assure that the bulge in Federal employment during the present emergency will not be permanent, and which are deemed both appropriate and desirable as a means of congressional control of payrolls during such periods of emergency. Recognition is given to the recommendations in the report accompanying S. 2665, as reported to the House, that Executive Order 10180 should be replaced by a new executive order which is in harmony with such section 1310 and which provides for a Government-wide ceiling on permanent appointments rather than a ceiling applied by individual departments and establishments as is the case under Executive Order 10180. Recognition also is given to the recommendation in such report that the Civil Service Commission make a beginning on adjustment of the Federal personnel program based upon an actual proposed plan within the framework of the law.

Section 603 of the conference substitute provides that official reporters of the proceedings and debates of the Senate and the employees of such reporters shall be considered to be officers or employees in or under the legislative branch of the Government for the purposes of the Federal Employees' Group Life Insurance Act of 1954. This same provision is contained in section 603 of the Senate amendment, but there is no comparable provision in S. 2665, as reported to the House.

Mail messenger service contracts

The House bill amended the act of March 3, 1887 (39 U. S. C., sec. 578), which authorizes the employment of mail messengers in the postal service, in order to permit the Postmaster General, in his discretion and under regulations prescribed by him, to readjust the compensation of the holder of any mail-messenger service contract on account of increased or decreased costs occasioned by changed conditions not reasonably foreseeable at the time the contract was entered into. Mail messenger service contracts provide for transportation of mail between post offices and railroad stations or airports. The Motor Vehicle Service of the Post Office Department provides such transportation in most of the larger cities, while the mail-messenger service contract is used in smaller places. Such contracts, which are awarded by competitive bidding, continue until either the United States or the contract holder gives notice to withdraw and, thereupon, the contract is readvertised for bids. In some cases increased costs of operation which are incurred by holders of such contracts justify increases in their contract compensation. In other cases reduced costs of operation—generally by reason of decreased volume of mail—for holders of such contracts justify reductions in their contract compensation. Existing law does not authorize readjustment of mail-messenger service contract compensation. The contract must be canceled and readvertised for competitive bids. In authorizing the Postmaster General to readjust mail-messenger service contract compensation the House bill follows the policy established by the Act of June 19, 1948 (Public Law 669, 80th Cong.), and the act of February 29, 1952 (Public Law 262, 82d Cong.), which authorize the Postmaster General to make such readjustments in the compensation of holders of star route contracts and screen vehicle service contracts. The Senate amendment does not contain any provision relating to mail-messenger service contracts. Section 604 of title VI of the conference substitute retains the above-discussed provisions of the House bill.

The committee of conference recommends a modification of the title of the bill to reflect more adequately the provisions of the bill as agreed to in conference.

EDWARD H. REES,
JOEL T. BROYHILL,
TOM MURRAY,
Managers on the Part of the House.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. CROSSER in five instances and to include extraneous matter.

Mr. PATMAN, to revise and extend his remarks and include extraneous matter.

Mr. UTT (at the request of Mr. HUNTER) and to include extraneous matter.

Mr. HUNTER and to include extraneous matter.

Mr. KERSTEN of Wisconsin in five instances and to include extraneous matter.

Mr. GAMBLE in five instances and to include extraneous matter.

Mr. HAGEN of Minnesota in five instances and to include extraneous matter.

Mr. WAINWRIGHT in five instances and to include extraneous matter.

Mr. MILLER of Nebraska in four instances and to include extraneous matter.

Mr. ARENDS in two instances and to include extraneous matter.

Mr. HILLINGS (at the request of Mr. ARENDS) in three instances and to include extraneous matter.

Mr. CANFIELD (at the request of Mr. ARENDS) to extend his remarks in the RECORD following the vote on the anti-Communist bill.

Mr. BENTLEY (at the request of Mr. OAKMAN) in two instances and to include extraneous matter.

Mr. MCCORMACK (at the request of Mr. EBERHARTER) and to include an article.

Mr. HARRISON of Nebraska and to include extraneous matter.

Mr. HOPE in four instances and to include extraneous matter.

Mr. BONIN.

Mr. DONOHUE in three instances.

Mr. NATCHER in two instances.

Mr. PRIEST and to include a newspaper article.

Mr. MILLER of Kansas (at the request of Mr. JOHNSON of Wisconsin) in two instances and to include extraneous matter.

Mr. JOHNSON of Wisconsin in two instances and to include extraneous matter.

Mr. BOGGS in three instances and to include extraneous matter.

Mrs. SULLIVAN in eight instances and to include extraneous matter.

Mrs. KELLY of New York (at the request of Mrs. SULLIVAN) and to include extraneous matter.

Mr. EDMONDSON in five instances and to include extraneous matter.

Mr. CELLER in four instances and to include extraneous matter.

Mr. ASPINALL.

Mr. SIEMINSKI in three instances and to include extraneous matter.

Mr. ROGERS of Texas and to include extraneous matter.

Mr. ROONEY in five instances and to include extraneous matter.

Mr. MACHROWICZ and to include a letter.

Mr. KERSTEN of Wisconsin to extend his remarks in the RECORD immediately prior to the vote on the anti-Communist bill.

Mr. SAYLOR in two instances and to include extraneous matter.

Mrs. FRANCES P. BOLTON and to include extraneous matter notwithstanding the fact it exceeds the limit and is estimated by the Public Printer to cost $318.75.

Mr. MORANO and to include extraneous matter.

Mr. MULTER in three instances and to include extraneous matter.

Mr. BYRNES of Wisconsin in four instances, in one to include an editorial relating to the life of Victor I. Minahan and in another to include a tabulation of the votes cast by me in this session of the Congress.

Mr. HILLINGS in three instances and to include extraneous matter.

Mr. HOLT (at the request of Mr. HUNTER) in three instances and to include extraneous matter.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 31 minutes p. m.), the House adjourned until tomorrow, Tuesday, August 17, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1818. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a bill entitled "A bill to amend the District of Columbia Teachers' Salary Act of 1947, as amended"; to the Committee on the District of Columbia.

1819. A letter from the Attorney General, transmitting a report showing the special assistants employed during the period from January 1, 1954, to June 30, 1954, pursuant to section 202, general provisions, Department of Justice Appropriation Act for the fiscal year 1954, approved August 5, 1953; to the Committee on Government Operations.

1820. A letter from the Acting Comptroller General of the United States, transmitting a copy of the General Accounting Office report on the audit of Alaska Road Commission, an agency in the Department of the Interior, for the fiscal year ended June 30, 1953, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1821. A letter from the Acting Comptroller General of the United States, transmitting a copy of the General Accounting Office report on the audit of the Puerto Rico Reconstruction Administration, an agency in the Department of the Interior, for the fiscal year ended June 30, 1953, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1822. A letter from the Assistant Secretary of the Interior, transmitting a copy of a bill passed by the Municipal Council of St. Thomas and St. John, V. I., pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Interior and Insular Affairs.

1823. A letter from the Assistant Secretary of the Interior, transmitting a proposed award of a concession permit to Mr. Hjalmar A. Mattson which will, when approved by the regional director, region No. 2, National Park Service, authorize him to operate the Windigo Inn at Washington Harbor, Isle Royale National Park, Mich., for a period of 5 years from January 1, 1954, pursuant to the act of July 31, 1953 (67 Stat. 271): to the Committee on Interior and Insular Affairs.

1824. A letter from the Governor, Canal Zone government, Canal Zone, transmitting a report of claims paid by the Canal Zone government for the period July 1, 1953, to June 30, 1954, pursuant to section 2673 of title 28, United States Code; to the Committee on the Judiciary.

1825. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens who have been found admissible into the United States, pursuant to section 212 (a) (28) (I) (ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1826. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

1827. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to section 212 (d) (6) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1828. A letter from the secretary-treasurer, Military Chaplains Association of the United States of America, transmitting the annual report of the proceedings, including financial report of the Military Chaplains Association of the United States of America pursuant to Public Law 792, 81st Congress; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DONDERO: Committee on Public Works. Senate Joint Resolution 170. Joint resolution to approve the conveyance by the Tennessee Valley Authority of certain public-use terminal properties now owned by the United States; without amendment (Rept. No. 2659). Referred to the Committee of the Whole House on the State of the Union.

Mr. COLE of New York: Joint Committee on Committee on Atomic Energy. H. R. 10203. An act to provide rewards for information concerning the illegal introduction into the United States, or the illegal manufacture or acquisition in the United States, of special nuclear material and atomic weapons; with amendment (Rept. No. 2660). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Utah: Committee on Conference. S. 2670. An act to provide for the termination of Federal supervision over the property of certain tribes, lands, and colonies of Indians in the State of Utah and the individual numbers thereof, and for other purposes (Rept. No. 2661). Ordered to be printed.

Mr. GRAHAM: Committee on the Judiciary. S. 2862. An act to provide relief for the sheep-raising industry by making special nonquota immigrant visas available to certain skilled alien sheepherders; without amendment (Rept. No. 2662). Referred to the Committee of the Whole House on the State of the Union.

Mr. TABER: Committee of conference. H. R. 9936. A bill making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes (Rept. No. 2663). Ordered to be printed.

Mr. HOPE: Committee of conference. H. R. 9680. A bill to provide for continued price support for agricultural products; to augment the marketing and disposal of such products; to provide for greater stability in the products of agriculture; and for other purposes (Rept. No. 2664). Ordered to be printed.

Mr. REES of Kansas: Committee of conference. H. R. 2263. A bill to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service (Rept. No. 2665). Ordered to be printed.

Mr. COLE of New York: Committee of conference. H. R. 9757. A bill to amend the Atomic Energy Act of 1946, as amended, and for other purposes (Rept. No. 2666). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GRAHAM: Committee on the Judiciary. S. 2074. An act for the relief of certain Basque sheepherders; with amendment (Rept. No. 2658). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HIESTAND:

H. R. 10237. A bill to outlaw the Communist Party, to prohibit members of Communist organizations from serving in certain representative capacities, and for other purposes; to the Committee on the Judiciary.

By Mr. BERRY:

H. R. 10238. A bill to authorize the Secretary of Agriculture to exchange certain lands in Pennington County, S. Dak.; to the Committee on Agriculture.

By Mr. DONOHUE:

H. R. 10239. A bill to amend section 201 of the Immigration and Nationality Act, so as to provide that all quota numbers not used in any year shall be made available to immigrants in oversubscribed areas in the following year, and for other purposes; to the Committee on the Judiciary.

SENATE

11. FLOOD CONTROL. Passed, 77 to 2, with amendments H. R. 9859, the omnibus flood control bill, which authorizes $20,000,000 additional to this Department for work on watersheds. Senate conferees were appointed. (pp. 14118-37.)

12. FOREIGN AID; SURPLUS COMMODITIES. Agreed to the conference report on H. R. 9924 (see item 4 above) (pp. 14076, 14138-9).

13. PERSONNEL. Agreed to the conference report on H. R. 2263, the fringe-benefits personnel bill (p. 14138).

Passed with amendments H. R. 9709, to extend and improve the unemployment compensation program, which includes a provision extending it to approximately 2.5 million Federal employees (pp. 14144-7).

Passed with amendment H. R. 9909, to prohibit payment of Government retirement benefits to persons convicted of certain offenses (pp. 14148-52). Agreed to a Williams amendment extending from 3 to 5 years the statute of limitations on certain crimes (pp. 14149-52).

Sen. Knowland submitted amendments he intends to propose to H. R. 7774, to establish a uniform system of granting incentive awards to Federal employees (p. 14076).

14. COMMODITY CREDIT CORPORATION. The amendment by Sen. Holland (see Digest 157) to H. R. 9756, to increase the borrowing power of CCC from $8.5 billion to $10 billion, would include mangoes in the provision which would prohibit imports of certain commodities that do not comply with USDA marketing orders. The amendment also would make this provision effective upon the enactment of H. R. 9756 or the Agricultural Act of 1954, whichever occurs later.

15. NOMINATION. Received the nomination of Herbert Hoover, Jr., to be Under Secretary of State (p. 14170).

16. INVESTIGATIONS; PERSONNEL. Concurred in the House amendments to S. 2308, to give the Attorney General concurrent jurisdiction over investigation of violations of title 18 of the U. S. Code (regarding crimes) by Government officers and employees, except for members of the armed forces and the Post Office Department (p. 14139). This bill will now be sent to the President.

17. CONVENING OF CONGRESS. Passed without amendment H. J. Res. 585, to provide that the 84th Congress shall convene at noon on Wed., Jan. 5, 1955 (p. 14097). This measure will now be sent to the President.

18. COMPTROLLER GENERAL. Passed without amendment S. 3868, to authorize the payment of salary to any individual given recess appointment as Comptroller General of the U. S. before the beginning of the 84th Cong. (pp. 14080-1).

19. LEGISLATIVE PROGRAM. H. R. 9756, increasing the borrowing power of CCC from $8.5 billion to $10 billion, was made the unfinished business (p. 14152). The "Daily Digest" states that there will be a call of the calendar and consideration of various conference reports during Wed. (p. D996).

ITEMS IN APPENDIX

20. FARM PROGRAM. Rep. Hunter inserted his summary of the accomplishments of this Congress and the administration in the field of agriculture and related

matters (pp. A6081-6).

Sen. Beall inserted a Baltimore Sun editorial, "An Investment Pays Off," commending the President for the progress of his legislative program and stating that his program, "designed to bring more resiliency into the whole structure of farm supports, was argued before the true farmers of the country as if he and Secretary Benson had never heard of the political farmers" (p. A6098).

Sen. Thye inserted a St. Paul Pioneer Press article, "Benson Strategy," discussing passage of the farm bill and stating that "the result is being widely hailed as a personal triumph for Secretary Benson" (p. A6099).

21. MARKETING. Rep. Church inserted a Federal Reserve Bank (Chicago) agricultural letter discussing rising marketing costs and the share of the farmers and the middlemen (pp. A6087-8).

Rep. Hill inserted his recent address before the Annual Convention of the Independent Grocers Alliance discussing the problems of marketing, food distribution, and "the battle against waste of fruit and vegetables" (pp. A6092-3).

22. TAXATION. Extension of remarks of Reps. Knox and Berry giving some of the highlights of the new tax law (pp. A6088-90, A6129-30).

23. DROUGHT RELIEF. Extension of remarks of Rep. Moulder criticizing the administration of the drought relief program and inserting a Daily Democrat-Leader (Fayette, Mo.) article stating that "we say it is a rotten deal and not worth the price of the airplane tickets Washington spent to send men out here to decide which class of farmer they would try to help" (p. A6101).

Rep. Hill inserted a statement explaining assistance available under the drought-relief program (pp. A6118-9).

24. FOREIGN TRADE. Rep. Bailey inserted O. R. Strackbein's (chairman of the Nationwide Committee of Industry, Agriculture, and Labor on Import Policy) statement discussing to what "extent imports may be injurious, a matter of indifference or even helpful" (pp. A6106-8).

25. FARM LABOR. Rep. Rooney inserted a Nat'l Catholic Weekly Review America commenting on the Mexican "wetback" problem (p. A6109).

26. PRICE SUPPORTS. Sen. Thye inserted a Washington Post and Times Herald editorial and his letter in response to the editorial which he said "clearly and unmistakably" impugn the motives of those Members of the Senate who opposed changing the level of farm price supports (pp. A6119-20).

BILLS INTRODUCED

27. PERSONNEL; HOLIDAYS. S. Con. Res. 105, by Sen. Johnston (introduced Aug. 13), to excuse Government employees from work on the afternoon of Aug. 31, 1954, to attend the parade of The American Legion in D. C.; to Post Office and Civil Service Committee.

28. FARM LOANS. S. 3877, by Sen. Gillette, to accelerate establishment of comprehensive soil- and water-conserving works on private and public property through provision of appropriate credit for conservation, reforestation, and water-control work; to Agriculture and Forestry Committee (p. 14075). Remarks of author (pp. 14075-6).

by the Corps of Engineers to have an unfavorable cost-benefit ratio, and nothing had been done to survey other sites. Now the Corps of Engineers has been directed to review, for the purpose of determining a site which will be justified under the cost-benefit ratio rule, so that we may go ahead with requests for appropriations for reservoirs.

The Big Sandy Valley holds a store of great resources in coal, timber, gas and oil, and other products unmatched in the Nation. These products cannot flow to the market as they should without cheaper transportation. The development and canalization of the Big Sandy Valley will provide cheaper navigation, flood control, reservoirs, and volume of water in the river for industry and recreation. My colleague, Senator CLEMENTS, and I submit this amendment so that the Corps of Engineers will immediately make this survey in order that my colleague and I may present these new factors which I have mentioned to the Senate at an early date, so that this great project may be favorably considered and approved. I move the adoption of our amendment.

Mr. COOPER. Mr. President, I understand the Senator from Pennsylvania is willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky [Mr. COOPER].

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the senior Senator from Wisconsin [Mr. WILEY] is absent by leave of the Senate.

The senior Senator from Indiana [Mr. CAPEHART] and the Senator from Idaho [Mr. WELKER] are absent on official business.

The senior Senator from New Hampshire [Mr. BRIDGES], the Senator from Vermont [Mr. FLANDERS], the junior Senator from Indiana [Mr. JENNER], the junior Senator from Wisconsin [Mr. MCCARTHY], and the junior Senator from New Hampshire [Mr. UPTON] are necessarily absent.

If present and voting, the senior Senator from New Hampshire [Mr. BRIDGES], the senior Senator from Indiana [Mr. CAPEHART], the Senator from Vermont [Mr. FLANDERS], the junior Senator from Indiana [Mr. JENNER], the junior Senator from Wisconsin [Mr. MCCARTHY], the junior Senator from New Hampshire [Mr. UPTON], and the Senator from Idaho [Mr. WELKER] would each vote "yea."

Mr. CLEMENTS. I announce that the Senator from Ohio [Mr. BURKE], the Senator from Texas [Mr. DANIEL], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], and the Senator from South Carolina [Mr. MAYBANK] are absent on official business.

The Senator from Virginia [Mr. BYRD] and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I announce further that if present and voting, the Senator from Ohio [Mr. BURKE], the Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], and the Senator from Alabama [Mr. SPARKMAN] would each vote "yea."

The result was announced—yeas 77, nays 2, as follows:

YEAS—77

Aiken	Goldwater	Martin
Anderson	Green	McCarran
Barrett	Hendrickson	McClellan
Beall	Hennings	Millikin
Bennett	Hickenlooper	Monroney
Bowring	Hill	Morse
Bricker	Holland	Mundt
Bush	Humphrey	Murray
Butler	Ives	Neely
Carlson	Jackson	Pastore
Case	Johnson, Colo.	Payne
Chavez	Johnson, Tex.	Potter
Clements	Johnston, S. C.	Purtell
Cooper	Kefauver	Reynolds
Cordon	Kennedy	Saltonstall
Crippa	Kerr	Schoeppel
Dirksen	Kilgore	Smathers
Duff	Knowland	Smith, Maine
Dworshak	Kuchel	Smith, N. J.
Ellender	Langer	Stennis
Ervin	Lehman	Symington
Ferguson	Lennon	Thye
Frear	Long	Watkins
Fulbright	Magnuson	Williams
George	Malone	Young
Gillette	Mansfield	

NAYS—2

Robertson Russell

NOT VOTING—17

Bridges	Eastland	McCarthy
Burke	Flanders	Sparkman
Byrd	Gore	Upton
Capehart	Hayden	Welker
Daniel	Jenner	Wiley
Douglas	Maybank	

So the bill (H. R. 9859) was passed.

Mr. MARTIN. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. HUMPHREY in the chair) appointed Mr. MARTIN, Mr. CASE, Mr. BUSH, Mr. CHAVEZ, and Mr. HOLLAND conferees on the part of the Senate.

Mr. MARTIN. Mr. President, I ask unanimous consent that the bill be printed with the Senate amendments numbered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MARTIN. Mr. President, I also ask unanimous consent that the clerks be authorized to make any technical and typographical corrections which may be found necessary in the bill, as passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. GOLDWATER, and by unanimous consent, the Committee on Foreign Relations was authorized to meet during the session of the Senate this evening.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had disagreed to the amendments of the Senate to the amendments of the House to the bill (S. 3706) to outlaw the Communist Party, to prohibit members of Communist organizations from serving in certain representative capacities, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. REED of Illinois, Mr. GRAHAM, Mr. HYDE, Mr. CELLER, and Mr. WALTER were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9680) to provide for the continued price support for agricultural products; to augment the marketing and disposal of such products; to provide for greater stability in agriculture; and for other purposes.

The message further announced that the House agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 5, 6, 9, 10, 11, 12, 13, 14, 15, 21, 34, 54, 55, 59, 72, 73, 93, 103, 105, 113, 114, 126, 152, 159, and 169 to the bill, and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 27, 30, 31, 38, 39, 40, 46, 49, 52, 56, 61, 62, 71½, 74, 79, 85, 86, 88, 89, 91, 99, 100, 104, 110, 115, 116, 119, 122, 127, 128, 129, 132, 134, 136, 147, 148, 151, 154, 155, 164, 168, and 187 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate, and that the House insisted on its disagreement to the amendments of the Senate numbered 60, 71, and 130.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate a message from the President of the United States submitting the nomination of Herbert Hoover, Jr., of California, to be Under Secretary of

State, which was referred to the Committee on Foreign Relations.

FRINGE EMPLOYMENT BENEFITS FOR FEDERAL EMPLOYEES—CONFERENCE REPORT

Mr. KNOWLAND. Mr. President, the distinguished Senator from Kansas [Mr. CARLSON] has ready for submission a conference report which I understand has been agreed to by all the conferees. The distinguished ranking minority member of the committee is present at this time. The presentation of this matter has been postponed until now, in order that both those Senators might be present.

Mr. CARLSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2263) to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of August 16, 1954, pp. 13893–13896, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. CARLSON. Mr. President, this conference report is on what is known as the fringe employment benefits bill. The conference report is a unanimous report on the part of all the conferees, and it is signed by all the conferees for both the House and the Senate.

The report makes only a few changes. Generally speaking, the Senate version of the bill is approved. On 2 or 3 occasions the Senate voted for repeal of the so-called Whitten rider. The conferees agreed to a rewriting of the Whitten rider. It was rewritten on a basis that had at least the consent and approval of the Civil Service Commission. In other words, the Commission had not changed its view that it wished the rider repealed, but said it could live under the provisions the conferees adopted.

The conference report makes 1 or 2 changes in the provisions regarding overtime pay. It provides for full time and one-half through the minimum rate for grade 9.

Mr. President, let me say by way of summary of the conference report that the Senate version of the bill provided for full time and one-half overtime pay up through the maximum rate for grade 9. The conference agreement provides for full time and one-half through the minimum rate for grade 9.

The Senate version provided that overtime pay could not be less than straight time. The conference agreement omits this provision.

The Senate version excluded fire fighters from the category of employees who may be paid 25-percent premium compensation in lieu of overtime pay for irregular overtime. The conference agreement eliminates this exclusion.

The Senate version contained no limit on incentive awards payable under the bill. The conferees added a $5,000 limit generally, with a provision under which awards up to $25,000 could be made with the approval of the Civil Service Commission in special cases.

The Senate version provided that up to $100 per annum could be paid to employees required to wear uniforms, to assist in defraying the cost of acquisition or upkeep of their uniforms. The conference agreement eliminates reference to upkeep; and also provides that the head of the department may furnish uniforms in lieu of paying the uniform allowance.

The Senate version repealed the Whitten rider. The conference agreement modifies, but does not repeal, this provision. Under the modification, permanent appointments could be made up to 10 percent above the total number of employees employed on September 1, 1950. In addition, it authorizes permanent reinstatements and promotions.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

FAMILY QUARTERS FOR PERSONNEL OF MILITARY DEPARTMENTS—CONFERENCE REPORT

Mr. KNOWLAND. Mr. President, the Senator from South Dakota [Mr. CASE] is prepared to submit the conference report on House bill 9924, relating to military family housing.

Mr. CASE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9924) to provide for family quarters for personnel of the military departments of the Department of Defense and their dependents, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. CASE. Mr. President——

Mr. KNOWLAND. Mr. President, will the Senator from South Dakota yield to me?

Mr. CASE. I yield.

Mr. KNOWLAND. The conference report is signed by all the conferees; is it not?

Mr. CASE. Yes; the report is signed by all the conferees on behalf of both the House and the Senate.

There was only one principal item of controversy or discussion in the conference, and it related to the amount of foreign currencies which might be used in the acquisition of housing overseas. In the conference report, the amount of foreign currencies which may be used for the procurement of military housing overseas is reduced from $75 million to $25 million. Some of the conferees felt that since this was an experimental program or at least a new departure, the smaller amount should be used initially.

Furthermore, the language agreed to by the conferees authorizes the transfer of unexpended balances of appropriations for quarters allowances to the Commodity Credit Corporation in an amount equivalent to the dollar value of foreign currencies used in any fiscal year.

Mr. President, I ask unanimous consent that a statement I have prepared on the conference report be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CASE

H. R. 9924 TO PROVIDE FOR FAMILY QUARTERS FOR MILITARY PERSONNEL AND THEIR DEPENDENTS

The principal item on which the Houses disagreed was the Senate provision authorizing the Secretary of Defense to procure family housing in foreign countries in the amount of $75 million by using foreign currencies acquired through the sale of surplus agricultural commodities as authorized by the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83d Cong).

Paragraph 3 of section 407 of the Senate bill provided that appropriations for quarters allowances for personnel occupying family housing procured in this manner would be available for reimbursement to the Commodity Credit Corporation in an amount equivalent to the dollar value of the foreign currencies used. This provision contemplated an annual transfer of appropriations that otherwise would be available for the payment of quarters allowances to personnel occupying the housing until the Commodity Credit Corporation had received full reimbursement for the currencies that had been acquired by the sale of surplus agricultural commodities from the stocks of the Commodity Credit Corporation.

The House position was that there should be authority for the Commodity Credit Corporation to be reimbursed within the period of the fiscal year in which the foreign currencies were used for the procurement of housing in an amount equivalent to the total dollar value of the currencies used.

The language agreed to in conference authorizes the transfer of unexpended balances of appropriations for quarters allowances to the Commodity Credit Corporation in an amount equivalent to the dollar value of foreign currencies used in any fiscal year. The extent of the authority for the procurement of family housing in foreign countries through the use of funds acquired by the sale of surplus agricultural commodities was reduced from $75 million to $25 million.

The compromise language relative to the reimbursement of the Commodity Credit Corporation presupposes the existence of unexpended balances of appropriations for quarters allowances. Since the extent of the monetary authorization for this purpose was reduced to $25 million, the conferees have reason to believe that unexpended balances in this amount will be available for the purpose of reimbursement in full to the Commodity Credit Corporation.

If this method of procuring family housing in foreign countries proves feasible, and the Congress in future years should decide to

alien sheepherders (p. 14245).

10. RECLAMATION. Passed without amendment H. R. 5499, authorizing the Michaud Flats project, Idaho (p. 14239). This bill will now be sent to the President.

Passed with amendments H. R. 2235, to authorize the Santa Maria project, Calif. Rejected, 17-47, an amendment by Sen. Morse eliminating the provision making an exception as to the 160-acre limitation in this project. (pp. 14286-8, 14290-304.)

S. 1555, to authorize the upper Colo. River project, was made the unfinished business (p. 14304).

11. EDUCATION. Concurred in the House amendments to S. 3628, to provide a permanent program of assistance for school construction (p. 14262). This bill will now be sent to the President.

12. WATER COMPACT. Passed with amendments S. 2821, consenting to a compact among States for disposition of the waters of the Missouri River and its tributaries (pp. 14239-40, 14284-6).

13. NOMINATION of Herbert Hoover, Jr., to be Under Secretary of State, was confirmed (p. 14207).

14. INTERNATIONAL AGREEMENTS. Discussed and, on objection of Sen. Smathers, passed over S. 3067, to require that international agreements other than treaties, hereafter entered into by the U. S., be transmitted to the Senate within 30 days after execution thereof (pp. 14241-2).

15. FARM PROGRAM. Sen. Langer explained why he was absent during the vote on the conference report on H. R. 9680, the farm program bill, and said he would have voted against the report (p. 14223).

16. FARM PROGRAM; ECONOMIC SITUATION. Sen. Goldwater, in discussing some of the dangers confronting our economic system, criticized high rigid price supports and stated that the administration has taken a "very courageous and long needed step in the farm program," and Sen. Kefauver suggested these 3 factors to reduce agricultural surpluses: Increase employment to enlarge purchasing power, improve the school-lunch program, and lower tariffs (pp. 14209-13).

HOUSE

17. FLOOD CONTROL. Concurred in the Senate amendments to H. R. 9859, the omnibus flood-control bill, which includes a provision authorizing $20,000,000 additional to this Department for work on watersheds (pp. 14175-7). This bill will now be sent to the President.

18. PERSONNEL. Agreed to the conference report on H. R. 2263, the fringe-benefits personnel bill (pp. 14172-4). This bill will now be sent to the President.

Agreed to the Senate amendment to H. R. 9909, to prohibit payment of Government retirement benefits to persons convicted of certain offenses. The amendment extends from 3 to 5 years the statute of limitations on certain crimes. (pp. 14174-5.) This bill will now be sent to the President.

Concurred in the Senate amendments to H. R. 9709, to extend and improve the unemployment compensation program, which includes a provision extending it to Federal employees (p. 14197). This bill will now be sent to the President.

19. FOREIGN AID; SURPLUS COMMODITIES. Agreed to the conference report on H. R. 9924, to provide for family housing for military personnel and their dependents, to authorize the Secretary of Defense to procure such housing for military personnel in foreign countries through the use of foreign currencies obtained through sale of surplus agricultural commodities, and to make Defense Department appropriations available to reimburse CCC in an amount equivalent to the dollar value of the currencies used (p. 14175). This bill will now be sent to the President.

20. FOREIGN-AID APPROPRIATIONS BILL, 1955. The "Daily Digest" states that the conferees agreed to file a conference report on this bill, H. R. 10051, and that: "As agreed by the conferees the bill would provide total new funds of $2,781,499,816, a decrease from the Senate- and House-passed versions of $9,325,000 and $114,445,184, respectively. The figure agreed upon added to unobligated funds of $2,462,075,979 would make a grand total of $5,243,575,795. (p. D1004).

21. RECLAMATION. Vacated the proceedings of Aug. 17 whereby H. R. 8498, to authorize the Palo Verde project, Calif., was sent to conference, and concurred in the Senate amendments to the bill (pp. 14171-2). This bill will now be sent to the President.

22. DROUGHT RELIEF. Rep. Brown (Ga.) urged that Ga. be declared a major disaster area and stated that in more than 100 counties the grain crop is "practically destroyed" (p. 14178).

23. ADVISORY COMMITTEES; PRICE SUPPORTS. Rep. Polk criticized the agricultural advisory committees and claimed that "almost none" of the reductions in prices received by farmers are being passed on to the consumers (pp. 14193-7).

24. FOREIGN TRADE. Rep. Eberharter spoke in favor of his bill, H. R. 9703, to provide assistance to communities, business enterprises and individuals in order to facilitate the adjustments made necessary by the trade policy of the U. S. (pp. 14190-1).

25. DROUGHT RELIEF. The Legislative Reporting Staff has obtained a supply of a House Agriculture Committee print, "The Drought Program, an Explanation of the Government's Program, in Cooperation with the States and Individual Farmers, to Combat the Effects of Drought."

ITEMS IN APPENDIX

26. SMALL BUSINESS. Extension of remarks of Rep. Hill commending the Small Business Administration and stating that it is "assisting our National economy to grow stronger and to stabilize our home-owned-and-operated business firms" (pp. A6131-2).

27. FARM PROGRAM. Extension of remarks of Rep. Burdick criticizing the administration's farm program and stating that "the acreage cut which Benson has made will put many small farms out of business" (p. A6135).

Extension of remarks of Rep. Hill discussing "the present situation of agriculture" and giving a brief report on the farm bill (pp. A6139-40).

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 83d CONGRESS, SECOND SESSION

Vol. 100 WASHINGTON, WEDNESDAY, AUGUST 18, 1954 No. 161

House of Representatives

The House met at 12 o'clock noon.

Rt. Rev. A. Cecil Cooper, Anglican bishop of Korea, offered the following prayer:

O God, the creator and sustainer of all things in heaven and earth, in the knowledge of, and in obedience to whose will alone can true freedom be found, we praise and thank Thee that Thou hast revealed Thy will to the world in Thy son Jesus Christ our Lord, and hast called our Nation to witness to Thy truth.

Grant to us, we pray Thee, the guidance of Thy holy spirit, that in all our deliberations and decisions Thy will may be done, and Thy name glorified among men. In Thee alone can mankind find lasting peace, concord, and freedom. Look down in mercy on the millions in bondage under totalitarian oppression, deprived of all freedom of action, speech, and thought. Relieve the millions who suffer, especially in lands devastated by war.

Grant us the power not only to seek to relieve their bodily sufferings but also to witness to, and forward through truths by which alone mankind can obtain Thy peace and the spirit of brotherhood. That Thou wilt use us for the working out of Thy eternal purpose, we ask in the name of Jesus Christ our Lord, who, with the Father and holy spirit liveth and reigneth, God, forever and ever.

A Member of this House passed to rest yesterday, so we stand for a moment in silence and pray God he may rest in peace and comfort for his family. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had adopted the following resolution (S. Res. 316):

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. PAUL W. SHAFER, late a Representative from the State of Michigan.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That when the Senate recesses it be as a further mark of respect to the memory of the deceased Representative.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 6287. An act to extend and amend the Renegotiation Act of 1951;

H. R. 9709. An act to extend and improve the unemployment compensation program;

H. R. 9756. An act to increase the borrowing power of Commodity Credit Corporation;

H. R. 9859. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; and

H. R. 9909. An act to prohibit payment of annuities to officers and employees of the United States convicted of certain offenses, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 3248. An act to authorize the Federal Government to guard strategic defense facilities against individuals believed to be disposed to commit acts of sabotage, espionage, or other subversion; and

S. 3868. An act authorizing the payment of salary to any individual given a recess appointment as Comptroller General of the United States before the beginning of the 84th Congress.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 2308. An act to authorize and direct the investigation by the Attorney General of certain offenses, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9936) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House of Representatives to Senate amendments Nos. 27, 30, 31, 38, 39, 40, 46, 49, 52, 56, 61, 62, 71½, 74, 79, 85, 86, 88, 89, 91, 99 100, 104, 110, 115, 116, 119, 122, 127, 128, 129, 132, 134, 136, 147, 148, 154, 155, 164, 168, and 187 to the above-entitled bill: Be it further

Resolved, That the Senate agrees to the amendment of the House to Senate amendment No. 151; be it further

Resolved, That the Senate recedes from its amendments Nos. 60, 71, and 130.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to bills of the House of the following titles:

H. R. 2263. An act to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service;

H. R. 9680. An act to provide for the continued price support for agricultural products; to augment the marketing and disposal of such products; to provide for greater stability in agriculture; and for other purposes; and

H. R. 9924. An act to provide for family quarters for personnel of the military departments of the Department of Defense and their dependents, and for other purposes.

PALO VERDE IRRIGATION DISTRICT, CALIFORNIA

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to vacate the proceedings of yesterday whereby the House disagreed to the amendment of the Senate to the bill (H. R. 8498) authorizing construction of works to reestablish for the Palo Verde Irrigation District, California, a means of diversion of its irrigation water supply from the Colorado River, and for other purposes, and asked for a conference, and the action of the Speaker in appointing con-

ferees, and I further ask unanimous consent that the House concur in the amendment of the Senate.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, line 1, strike out "$675,000" and insert "$1,175,000."

Page 5, line 21, strike out "The return of all" and insert "All."

Page 5, line 22, after "those", insert "to be."

Page 5, line 23, strike out all after "District," over to and including "law" in line 2 on page 6 and insert "shall be nonreimbursable."

Mr. WICKERSHAM. Mr. Speaker, reserving the right to object, is the gentleman from Pennsylvania personally interested in passing this bill?

Mr. SAYLOR. Not personally myself. This is a matter that came out of our committee, and I am delighted to see that the bill has been acted on. It grows out of the claim which arose from the building of the Hoover Dam and Lake Mead.

Mr. WICKERSHAM. Is the gentleman from California personally interested in the passage of the bill?

Mr. PHILLIPS. Yes. This is in my district. It is the oldest water right on the Colorado River. This is the correction of a situation over which the irrigation district had no control.

Mr. WICKERSHAM. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

FRINGE EMPLOYMENT BENEFITS FOR FEDERAL EMPLOYEES

Mr. REES of Kansas. Mr. Speaker, I call up the conference report on the bill (H. R. 2263) to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service, and ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the report.

Mr. GROSS. Mr. Speaker, reserving the right to object, I suggest to the gentleman from Kansas that he inform the House that this has nothing to do with pay. Is that correct?

Mr. REES of Kansas. This is not the pay bill. This does make some little adjustments, but it is not what is known as the pay bill. The gentleman may be assured that the pay bill has nothing to do with it.

Mr. GROSS. Will the gentleman explain the changes made?

Mr. REES of Kansas. At the first opportunity the chairman will supply a brief on it this afternoon.

Mr. BAILEY. Mr. Speaker, reserving the right to object, this has to do with the renegotiation of existing contracts on star routes, does it not?

Mr. REES of Kansas. It extends to mail messengers the same rate that is now granted to those who have star route contracts. This is a bill that passed the House by unanimous consent some time ago.

Mr. BAILEY. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 16, 1954.)

Mr. REES of Kansas. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. DAVIS].

(Mr. DAVIS of Georgia asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Georgia. Mr. Speaker, this conference report provides for the enactment into law of certain fringe benefits for postal and Federal employees.

In the House Post Office and Civil Service Committee we have given careful study to the subject matter of the various items in this conference report.

When this legislation was before our committee, I offered an amendment which provided that employees above the grade of GS–9 should receive overtime pay at a rate equivalent to time and one-half at such maximum scheduled rate of grade GS–9, or at their respective rates of basic compensation, whichever is greater. This amendment would serve to prevent employees in the higher grades being forced to work overtime at a rate of pay less than their regular rate of pay.

Frankly, I fail utterly to see any reason why an employee who works overtime should be denied the right to receive at least his regular rate of pay for such overtime work. I do not see the justice at all of requiring an employee to do overtime work at a lower rate of pay than he receives for his regular hours. That is why I offered the amendment to this legislation. This amendment was almost unanimously adopted in the committee, and was in the bill when the bill passed the House. I regret very much that the conferees have seen fit to strike this amendment from the bill.

However, in view of the fact that there are other meritorious provisions in this conference report, and in further view of the fact that this is the last opportunity we will have to pass this legislation during the present session of Congress, I am going to vote for the conference report, and hope that we can rectify at the next session of Congress what I consider to be an injustice and an error.

I think the incentive awards provisions are good.

I introduced this year a fringe bill which carried a number of provisions not included in this conference report. I am glad indeed that the conference report carries a $100 uniform allowance. This is a provision included in the fringe bill I introduced. I have supported this uniform allowance for a number of years, and am glad that it is finally being enacted into law. It provides that Federal employees who are required to wear a prescribed uniform while on duty, and who are not furnished with this uniform, shall be authorized to receive a uniform allowance not to exceed $100 per year, under such rules and regulations as may exist governing the subject.

This conference report also provides that such uniform allowance shall not be considered as pay, salary, or compensation within the meaning of the Civil Service Retirement Act or within the meaning of the Social Security Act or of the Internal Revenue Code.

The bill as agreed upon by the conferees contains other meritorious provisions, but I will not take the time of the House to refer to them now.

Mr. Speaker, I was a member of the subcommittee which considered and reported out House bill H. R. 9909, which is a bill to prohibit the payment of Federal annuities or retirement pay to persons who commit offenses which in effect constitute breaches of faith in matters involving treason, sabotage, subversive activities, perjury, and other offenses related to their official duties, or who have been guilty of improper use of their authority, power, influence, or privileges as officers or employees of our Government.

This legislation is intended to prevent such people as Alger Hiss from drawing retirement pay by reason of their former employment in Government positions.

Those of us who perfected this bill and voted it out favorably felt that there is no justification whatever for permitting a traitor to our Government, or a subversive or one who has engaged in sabotage to be permitted the benefit of drawing retirement pay or annuities from our civil-service retirement fund. We felt also that this privilege should be denied to former Federal employees who have committed breaches of faith in matters involving the improper use of their authority, power, or influence or privileges as officers or employees of the Government.

This legislation will have a great influence in clearing the moral climate in which the business of the United States Government is transacted, and to improve the ethical conduct of those individuals both in and outside the Government who transact such business.

I think this legislation is long overdue, and I am glad that we are about to take the final step in enacting it into law. It is my understanding that the conference report on this bill, H. R. 9909, will follow immediately after the conference report now under consideration has been concluded.

This legislation will provide that any and all sums paid into the retirement fund by such persons as Alger Hiss or any others coming under the terms of this bill, shall be refunded to them. Thus, they will not be deprived of anything which is rightfully theirs. On the other hand, they will be denied, and rightfully so, the benefits and advantages of participating in our civil-service retirement fund. I shall support both these conference reports, and feel that they should be adopted wthout any controversy.

(Mr. HAGEN of Minnesota (at the request of Mr. GROSS) was given permission to extend his remarks at this point.)

Mr. HAGEN of Minnesota. Mr. Speaker, I feel that this measure is highly desirable and in many respects a very good measure. However it has omitted or pared down a number of Federal

employees' benefits which, in my judgment, certainly should have been included in this conference report.

I am particularly disappointed in the following omissions or weaknesses in this revised legislation which is H. R. 2263, of which I was the original author.

First of all, I strongly favored the overtime pay provisions of the Senate version of this bill and of S. 2665, as reported to the House by our committee providing, first, overtime at true time and a half for all employees up through the top step of grade GS-9, and at the same rate for employees in higher grades; and, second, the option of straight time for overtime by employees in the higher grades where such straight time would be greater than the time and a half pay at the top of grade GS-9. In my judgment, this works a major injustice on many of our most valuable, loyal, and hard-working employees, and I can find no justification for such discrimination.

Secondly, the conference substitute provision establishing a 25 percent maximum for the aggregate premium compensation of employees in so-called standby positions is very unfair to the largest group of employees in such positions, that is, our 13,000 or more firefighters. The conference substitute will deprive these firefighters—except the ones presently on the roll—of as much as $360 per annum in premium compensation which they would receive under present provisions for overtime, night differential, and holiday pay.

I realize the desirability of a system of premium compensation which is as uniform as possible, but such a system certainly should not be imposed at the expense of an actual out-of-pocket loss to future employees in firefighting positions. As a matter of fact, the very uniformity which allegedly will result under the conference substitute is self-defeating, because it will automatically create two separate and distinct groups of firefighting employees, both doing the same work and subject to the same qualifications and requirements, but each receiving different rates of pay solely because of the 25 percent overall premium compensation limitation in the conference substitute.

The conference substitute would be a much more sound piece of legislation had it retained the provisions of the Senate version of H. R. 2263 and S. 2665 as reported to the House by the House Post Office and Civil Service Committee dealing with this matter of premium compensation of firefighters.

Thirdly, while I supported the definite uniform allowance provisions of S. 2665, as reported to the House by our committee, I feel it would have been a desirable feature to include in the conference substitute the language of the Senate bill which would have permitted use of the uniform allowance for the upkeep of such uniforms, an expense borne by employees required to wear uniforms which is not borne by other Federal employees. I also favor the House approved version, which would not have made the appropriation of funds for these uniform allowances dependent upon a showing of the necessity or desirability thereof each year, as is the case with the conference substitute.

Fourth, by adopting the Senate version on annual leave rights for Federal employees, the conference substitute did not go nearly far enough toward restoring annual-leave privileges which were taken away from Federal employees by Public Law 102 of this Congress. There is ample justification for restoration of the right to accumulate up to 60 days of annual leave, as would have been provided under S. 2665 as our committee reported that bill to the House. The accumulated annual leave is a cushion which employees have against separation from their jobs and consequent loss of income. Moreover, many Federal employees live at great distances and simply cannot take any real vacation, such as would be required to travel to and from their distant homes and spend any time there, unless they can have the right to save their leave until it amounts to a longer period than 30 days.

I have always felt that the 1944 law authorizing lump-sum payments for accumulated annual leave when employees are separated is a distinct benefit to the Government, from the standpoint of sound administration and management, as well as to the employees as a cushion against loss of employment.

In spite of these omissions and watering down of some of the benefits, this measure should be approved.

It will result in some much-needed and desirable benefits to many Federal employees.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

(Mr. REES of Kansas asked and was given permission to extend his remarks at this point.)

Mr. REES of Kansas. Mr. Speaker, I am pleased to present this conference report to the House of Representatives. It contains what in my judgment is one of the most forward-looking pieces of employee legislation the House has considered for many years.

This bill passed the House on Consent Calendar as legislation to permit the extension for an additional period of 4 years of mail-messenger contracts under the present rules, regulations, and laws governing the extension of star-route contracts. The star-route law has been in existence for a number of years and has worked out very satisfactorily. It provided the Department with a means of retaining star route contractors who have given satisfactory performance. It provides for a better continuity in the whole star route operation. The legislation as passed by the House would extend these benefits to small-messenger contracts, which provide for a similar service of carrying mail between post offices or from railroad stations to post offices. Under the conference agreement this provision, which was struck out in the Senate, was restored and is now in the conference agreement.

The basic change in this legislation, however, relates to Federal employees. It contains what are termed the "fringe benefit" proposals of the administration. As a matter of fact, "fringe benefits," in my judgment, is a misnomer. Actually, this legislation provides some very substantial benefits for Federal employees—benefits which they have sought for many years.

While the major change in this bill was made in the Senate, this entire legislative matter has received very careful consideration by our committee. It was the subject of an extended hearing by our committee and recommendations made in legislation under a Senate number, 2665. This legislation was reported favorably and contained, in addition to the fringe benefits in this bill, provisions for a 5 percent salary increase. It has not been called up for consideration by the House.

The legislation approved by the Senate as H. R. 2263 contains substantially the same language, except for the salary provision, as the legislation approved by our committee. Only a few minor changes were made in the conference report and I am pleased now to present to you a summary of the contents of this report as it relates to benefits and improved procedures for Federal employees:

This legislation will increase by 150 the number of so-called supergrade positions—that is, the positions in grades 16, 17, and 18—which are authorized under the Classification Act of 1949, as amended. Under that act 400 of these higher grade positions were authorized; under this legislation there will be 550, divided as follows: Not more than 400 in grade 16; not more than 115 in grade 17, and not more than 35 in grade 18. Additional positions in this same category which are authorized by other legislation are not disturbed by this bill.

This legislation makes important changes made in the longevity provisions for employees paid under the Classification Act. One of the beneficial proposals is that an employee may count toward his longevity step increases time served in a higher grade. Also, this legislation extends the principle of longevity step increases to employees in grades 11 through 15. Previously longevity step increases have been limited to employees in grades 10 and below. The longevity step increases will be in the same amount as the within-grades step rate increases, except that for grade 15, which has step-grade increases of $250, the longevity step increase will be $200.

This legislation permits the Civil Service Commission to recruit employees in scarce categories above the minimum rate of the class of positions to be filled by such employees. This will be of great benefit in the recruitment of employees where it is difficult to find qualified eligibles for vacancies in engineering, scientific, and other positions where there is a scarcity of qualified eligibles.

One of the major changes in this bill is the elimination of what is known as the CPC schedule. This is the crafts, protective, and custodial schedule. Under this proposal over a period of a year the Civil Service Commission will transfer approximately 116,000 employees

from this schedule for pay purposes. Approximately 65 percent of them will be paid under Wage Board procedures, and the remainder will go to the Classification Act schedules. Wage Board procedures provide for payment of employees who are craftsmen, mechanics, and tradesmen in accordance with the prevailing wages for similar types of work in the area where they are employed. Nearly 800,000 employees, primarily located in the Defense Department, are already paid under such procedures.

This legislation contains a complete revision of the premium-pay laws governing Federal employees. It brings it up to date and places it on a basis that will be more or less self-adjusting in the future. One of the major changes is raising the maximum rate of base pay which an employee may receive and still be paid full time and a half for overtime. At the present time, the rate is $2,980 per annum. Under this legislation full time and a half for overtime will be paid for employees who receive the minimum rate of grade 9, which is $5,060 per annum at the present time. This will then become the maximum overtime rate for all employees whether or not they receive a higher basic rate than the minimum of grade 9. Employees below the minimum of grade 9 have an alternative of being paid time and a half for all overtime or receiving compensatory time. For employees over grade 9 compensatory time or overtime pay is at the option of the agency concerned. Call-back provisions are revised so that an employee called back to perform unscheduled overtime work will receive a minimum of 2 hours' pay at the overtime rate.

Under this conference report there is a special provision for certain unusual types of work, This section 208 provides additional annual pay at rates of up to 25 percent of base pay in lieu of all overtime, night and holiday pay for employees performing standby duty and having long been in ordinary periods of duty. In the case of those employees who, under present laws or Comptroller General's decisions, might receive a more favorable rate than the 25 percent maximum would permit, there is a savings clause which assures that such employees who are presently on the rolls will not receive a reduction in salary.

This legislation places the Federal Government on a 5-day, 40-hour week rather than present 40-hour administrative week. There is a provision, however, that where an agency will be seriously handicapped in carrying out its functions or where costs would be substantially increased by compliance with this section the agency may require the duties to be scheduled on days other than the 5 days.

This legislation completely revises the Government's incentive awards program. It provides for a coordinated program directed by the Civil Service Commission. Under the conference report department and agency heads may grant incentive awards or cash awards for amounts not exceeding $5,000. They may grant such awards with the approval of the Civil Service Commission for amounts not exceeding $25,000. There is also a provision in the bill for a Presidential award in addition to other awards which may be granted under the bill.

The annual-leave laws governing Federal employees are amended by this conference report to provide that annual leave already accumulated and which by the recent amendment to the Leave Act would have to be liquidated down to 30 days may be retained. Also there is a provision whereby estates of employees who die in service may be compensated for the current accrued annual leave.

Mr. Speaker, except for the revisions of the classification pay schedules recommended by the Commission, this legislation, when combined with the group-insurance plan recently approved by the Congress, contains virtually all of the administration's program with respect to Federal personnel. We have received a proposal which will be given study from the administration relating to group, health, and hospitalization insurance. I feel that the House will approve this conference report. I certainly hope it will and when it has been signed into law, I believe that this Congress and the administration can point with pride to some of the most far-reaching reforms in the Federal personnel program that have ever been brought about in such a brief period of time.

As the bill passed the Senate, it provided for a repeal of what has come to be popularly known as the Whitten amendment. This is a rider to an appropriation act which in 1950 placed the Government employment on a temporary basis until such time as the President should rescind the emergency order which was placed into effect at that time.

The conference report does not repeal the Whitten amendment, but does contain a modification which meets several objections that have developed and were pointed out in testimony before our committee. Primarily what our proposed amendment does is to clearly place the ceiling on permanent appointments—the number in effect on September 1, 1950—on a Government-wide basis, and to permit a 10-percent increase in that ceiling. It also permits permanent reinstatements and permanent promotions. It retains all of the features of the Whitten amendment which were written for the protection of employees, such as the provisions for preserving positions for men going into military service and for reports to Congress covering the average grade and salary throughout the various Federal agencies. Testimony before the committee indicated that most of these objectives could probably be accomplished under the present Whitten amendment. However, in order to make sure that the Congress was not prohibiting specifically these permanent reinstatements and promotions, the amendment was revised to some extent. We have the assurance of the Civil Service Commission that they can place into effect their program for a beginning on their career-conditional type of appointment. This will establish a 3-year period in which employees will move from a temporary to a permanent status, and will provide considerably more flexibility in Federal employment as well as a better basis for assimilating reductions if they are necessary because of a reduction in the total number of Federal personnel.

We also have the assurance of the Civil Service Commission that they will move promptly into this program. It is the view of the conferees that this will continue in effect the benefits of the Whitten amendment with respect to a brake on total number of permanent employees in the Federal Government, yet at the same time provide the basis for the Government to move as rapidly as possible into a more stabilized employment and to a much more favorable employment situation for Federal employees who have been added to the rolls since September 1950.

Under the conference agreement a uniform allowance is authorized for those Federal employees who are required to wear them in carrying out their official duties. Under the terms of this uniform allowance section administrators must first determine the desirability of providing these uniforms, then request the necessary appropriations, and the appropriations then, of course, will be acted upon in the normal legislative manner. These provisions will include all Federal employees, including postal employees. The only difference between this section and that approved by the Senate is the conference report strikes out the provision for upkeep of uniforms contained in the Senate passed bill.

In my judgment, this bill which improves overtime provisions, establishes special premium compensation, provides longevity step increases for those in grades 11 through 15, authorizes recruitment in scarce categories above the minimum of the grade, returns the Government on a basis whereby permanent appointments, promotions and reinstatements will be made, as well as provides uniform allowances, represents one of the landmark pieces of legislation to be enacted into law in modern times.

I trust that the House will approve this conference report which, in the areas covered, so closely approximates what was passed by the Senate and recommended by our committee.

Estimated costs of H. R. 2263

Provisions of bill:	*Annual costs*
Sec. 101, supergrades	$260,000
Secs. 102, 103, longevity	1,585,000
Secs. 105, 106, 107—CPC schedule	36,513,000
Title II, premium pay	28,000,000
Title IV, uniform allowances (Senate figure)	20,000,000
Title V, annual leave (payment to descendants)	1,840,000
Total	88,198,000

PROHIBITION OF PAYMENT OF ANNUITIES TO CERTAIN GOVERNMENT EMPLOYEES

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9909) to prohibit payment of annuities to officers and employees of the United States con-

Public Law 763 - 83d Congress
Chapter 1208 - 2d Session
H. R. 2263

AN ACT

All 68 Stat. 1105.

To provide certain employment benefits for employees of the Federal Government, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Fringe benefits for Government employees.

TITLE I—AMENDMENTS TO CLASSIFICATION ACT OF 1949

NUMBER OF POSITIONS IN GRADES 16, 17, AND 18 OF THE GENERAL SCHEDULE

SEC. 101. (a) Section 505 of the Classification Act of 1949, as amended, is amended to read as follows:

63 Stat. 959.
5 USC 1105.

"SEC. 505. (a) No position shall be placed in grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission.

Grades 16-18.

"(b) No position shall be placed in or removed from grade 18 of the General Schedule except by the President upon recommendation of the Commission.

"(c) At any one time there shall not be more than four hundred positions in grade 16 of the General Schedule, not more than one hundred and fifteen positions in grade 17 of the General Schedule, and not more than thirty-five positions in grade 18 of the General Schedule.

Number of positions.

"(d) Positions that may be established under the proviso of section 203 (b) (1) of the Act of August 2, 1946 (60 Stat. 836), may be in addition to those authorized by the foregoing provisions of this section."

(b) The amendment made by subsection (a) shall not affect positions allocated to grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended, pursuant to provisions of law (other than the Classification Act of 1949, as amended) and reorganization plans in effect prior to the effective date of this section.

5 USC 1112.

LONGEVITY STEP-INCREASES

SEC. 102. (a) (1) Subsection (a) of section 703 of the Classification Act of 1949, as amended, is amended by striking out the words "change of grade or rate of basic compensation except such change as may be prescribed by any provision of law of general application" and inserting in lieu thereof the words "increase in grade or rate of basic compensation except such increase as may be prescribed by any provision of law of general application".

5 USC 1123(a).

(2) Subsection (b) (1) of section 703 of the Classification Act of 1949, as amended, is amended to read as follows:

"(b) (1) No officer or employee shall be entitled to a longevity step-increase while holding a position in any grade above grade 15 of the General Schedule."

Grades above 15.

(b) The amendments made by subsection (a) shall become effective at the beginning of the first pay period following the date of enactment of this Act.

Effective date.

SEC. 103. (a) Section 704 of the Classification Act of 1949, as amended, is amended to read as follows:

5 USC 1124.

"SEC. 704. In the case of officers and employees in grades 11 to 15, inclusive, of the General Schedule who are receiving compensation at or above the maximum scheduled rates for their respective grades on the date immediately preceding the effective date of this amendatory section, not to exceed three years of service performed immedi-

Grades 11-15.

All 68 Stat. 1106.

ately preceding such effective date shall be counted toward longevity step-increases under section 703. Notwithstanding subsection (b) (4) of section 703, longevity step-increases for grade 15 of the General Schedule shall be $200."

Effective date.

(b) The amendment made by subsection (a) shall become effective at the beginning of the first pay period following the date of enactment of this Act.

RECRUITMENT ABOVE THE MINIMUM RATE OF THE CLASS

5 USC 1132 note.

SEC. 104. Section 803 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 803. (a) Whenever the Commission shall find (1) that a sufficient number of qualified eligibles for positions in a given class cannot be secured in one or more areas or locations at the existing minimum rate for such class, and (2) that there is a possibility that a sufficient number of such eligibles can be secured by increasing the minimum rate for such class in such areas or locations to one of the higher rates within the grade in which such class is placed, the Commission may establish such higher rate as the minimum rate for that class in each area or location concerned.

"(b) Minimum rates established under subsection (a) may be revised from time to time by the Commission. Such actions or revisions shall have the force and effect of law.

"(c) Any increase in rate of basic compensation resulting from the establishment of minimum rates under this section shall not be regarded as an 'equivalent increase' in compensation within the meaning of section 701 (a)."

5 USC 1121.

EXCLUSION FROM CLASSIFICATION ACT OF 1949 OF CRAFTS, TRADES, AND LABOR POSITIONS AND APPLICATION OF PREVAILING WAGE POLICY TO SUCH POSITIONS

5 USC 1082.

SEC. 105. (a) Paragraph (7) of section 202 of the Classification Act of 1949, as amended, is amended to read as follows:

"(7) employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor occupations, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and knowledge as the paramount requirement, and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experience, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine operations: *Provided*, That the compensation of such employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates: *Provided further*, That whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees shall be subject to the provisions of this Act which are applicable to positions of equivalent difficulty or responsibility."

5 USC 1084.

(b) Section 204 (c) of the Classification Act of 1949, as amended, is amended to read as follows:

Supra.
5 USC 1083.

"(c) Section 202 (except paragraph (7) thereof) and section 203 shall not apply to the Office of the Architect of the Capitol."

TRANSFER OF CERTAIN POSITIONS FROM THE CRAFTS, PROTECTIVE, AND CUSTODIAL SCHEDULE TO THE GENERAL SCHEDULE

SEC. 106. (a) Not earlier than the first day of the second pay period which begins after the date of enactment of this Act, and not later than the first day of the first pay period which begins more than six months after the date of enactment of this Act, all positions in the Crafts, Protective, and Custodial Schedule of the Classification Act of 1949, as amended, not excluded from such Act by section 202 (7) thereof, as amended by section 105 of this title, shall be placed in corresponding grades of the General Schedule as set forth below: 5 USC 1111 et seq. Ante, p. 1106.

Grade of the Crafts, Protective, and Custodial Schedule	Corresponding new grade of the General Schedule
1	1
2	1
3	1
4	2
5	3
6	4
7	5
8	6
9	7
10	8

(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows: Basic compensation.

(1) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule which is less than the minimum scheduled rate of that grade in the General Schedule in which his position is placed, his compensation shall be increased to such minimum rate;

(2) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule which is equal to one of the scheduled or longevity rates of that grade in the General Schedule in which his position is placed, he shall receive a rate of basic compensation at such scheduled or longevity rate;

(3) If the employe is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule at a rate between two scheduled or two longevity rates, or between a scheduled rate and a longevity rate, of that grade in the General Schedule in which his position is placed, he shall receive a rate of basic compensation at the higher of such two rates;

(4) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule in excess of the maximum longevity rate of that grade in the General Schedule in which his position is placed, he shall continue to receive basic compensation without change in rate until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant the rate of basic compensation of any subsequent appointee shall be fixed in accordance with such Act, as amended.

(c) The conversion to grades of the General Schedule of positions covered by this section, and the initial adjustments in compensation as prescribed herein, shall not be construed to be transfers or promotions within the meaning of section 802 (b) of the Classification Act of 1949, as amended, and the regulations issued thereunder. 5 USC 1132.

ABOLISHMENT OF CRAFTS, PROTECTIVE, AND CUSTODIAL SCHEDULE

5 USC 1111.

SEC. 107. Section 601 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 601. There is hereby established for positions to which this Act applies a basic compensation schedule, to be known as the 'General Schedule', the symbol for which shall be 'GS'."

5 USC 602.

SEC. 108. (a) Section 602 of the Classification Act of 1949, as amended, is amended by striking out "(a)" after "SEC. 602.".

Repeal.

(b) Subsection (b) of such section 602 is hereby repealed.

5 USC 1113.

SEC. 109. (a) Subsection (a) of section 603 of the Classification Act of 1949, as amended, is amended to read as follows:

"(a) The rates of basic compensation with respect to officers, employees, and positions to which this Act applies shall be in accordance with the compensation schedule contained in subsection (b)."

Repeal.

(b) Subsection (c) of such section 603 is hereby repealed.

(c) Subsection (d) of such section 603 is amended to read as follows:

"(c) Whenever payment is made on the basis of a daily, hourly, weekly, biweekly, or monthly rate, such rate shall be computed from the appropriate annual rate specified in subsection (b) by the method prescribed in section 604 (d) of the Federal Employees Pay Act of 1945, as amended."

59 Stat. 304.
5 USC 944.

Effective dates.

SEC. 110. (a) Section 105 of this title shall take effect on the date or dates specified by the head of a department, but not earlier than the first day of the second pay period which begins after the date of enactment of this Act, and not later than the first day of the first pay period which begins more than twelve months after the date of enactment of this Act, with respect to each employee and position in such department within the purview of such section 105.

(b) Sections 107, 108, and 109 of this title shall take effect, with respect to employees and positions in a department, upon the completion of the actions required by sections 105 and 106 of this title to be taken with respect to such employees and positions, but in no event later than the first day of the first pay period which begins more than twelve months after the date of enactment of this Act.

MISCELLANEOUS PROVISIONS

5 USC 1114.

SEC. 111. Section 604 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 604. Employees receiving basic compensation at a rate authorized by law, immediately prior to the effective date of this title, in excess of the appropriate new rate of the grade as determined under paragraphs (1) to (10), inclusive, of section 604 (b) of this Act, as in effect prior to the date of enactment of this amended section, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this Act."

5 USC 1123, 1132.

SEC. 112. Sections 703 (c) and 802 (b) of the Classification Act of 1949, as amended, are amended by striking out "section 604 (b) (11)" and inserting in lieu thereof "section 604".

CSC regulations.

SEC. 113. The Civil Service Commission is hereby authorized to issue such regulations as may be necessary for the administration of this title.

Basic compensation, decrease.

SEC. 114. Nothing contained in this title shall be construed to decrease the existing rate of basic compensation of any present employee, but when his position becomes vacant any subsequent

appointee to such position shall be compensated in accordance with the scale of pay applicable to such position.

SEC. 115. The term "department" shall have the same meaning in this title as when used in the Classification Act of 1949, as amended. 5 USC 1071 note.

TITLE II—AMENDMENTS TO THE FEDERAL EMPLOYEES PAY ACT OF 1945, AS AMENDED

SEC. 201. This title may be cited as the "Federal Employees Pay Act Amendments of 1954". Short title.

SEC. 202. (a) Subsection (a) of section 101 of the Federal Employees Pay Act of 1945, as amended, is amended by striking out "titles II and III" and inserting in lieu thereof "titles II, III, and IV". 59 Stat. 295. 5 USC 901.

(b) Subsection (b) of such section 101 is hereby repealed. Repeal.

COMPENSATION FOR OVERTIME WORK

SEC. 203. Section 201 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows: 5 USC 911.

"SEC. 201. All hours of work officially ordered or approved in excess of forty hours in any administrative workweek performed by officers and employees to whom this title applies shall be considered to be overtime work and compensation for such overtime work, except as otherwise provided for in this Act, shall be at the following rates:

"(1) For each officer and employee whose basic compensation is at a rate which does not exceed the minimum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to one and one-half times the hourly rate of basic compensation of such officer or employee, and all of such amount shall be considered premium compensation. 5 USC 1113.

"(2) For each officer and employee whose basic compensation is at a rate which exceeds the minimum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to one and one-half times the hourly rate of such minimum scheduled rate of basic compensation, and all of such amount shall be considered premium compensation."

SEC. 204. Section 202 (a) of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows: 5 USC 912.

"SEC. 202. (a) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, or of the municipal government of the District of Columbia, or the head of any legislative or judicial agency to which this title applies, (1) may, at the request of any officer or employee, grant such officer or employee compensatory time off from his scheduled tour of duty in lieu of payment for an equal amount of time spent in irregular or occasional overtime work, and (2) may, at his own discretion, provide that any officer or employee, whose rate of basic compensation is in excess of the maximum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, shall be compensated for irregular or occasional overtime work for which compensation would be due under this Act with an equal amount of compensatory time off from his scheduled tour of duty in lieu of such compensation." Irregular overtime.

SEC. 205. (a) Section 203 of the Federal Employees Pay Act of 1945, as amended, is redesignated as section 205, and wherever such section number appears in such Act or in any other provision of law it is amended to conform to the redesignation prescribed by this subsection. 5 USC 913; post, p. 1110.

All 68 Stat. 1110.

(b) The Federal Employees Pay Act of 1945, as amended, is amended by inserting after section 202 thereof the following new sections:

"CALL-BACK OVERTIME

"SEC. 203. For the purposes of this Act, any unscheduled overtime work performed by any officer or employee on a day when no work was scheduled for him, or for which he is required to return to his place of employment, shall be considered to be at least two hours in duration.

"TIME IN TRAVEL STATUS

"SEC. 204. For the purposes of this Act, time spent in a travel status away from the official-duty station of any officer or employee shall be considered as hours of employment only when (1) within the days and hours of such officer's or employee's regularly scheduled administrative workweek, including regularly scheduled overtime hours, or (2) when the travel involves the performance of work while traveling or is carried out under arduous conditions."

COMPENSATION FOR NIGHT AND HOLIDAY WORK

5 USC 921.

SEC. 206. Section 301 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"SEC. 301. (a) Any regularly scheduled work between the hours of six o'clock postmeridian and six o'clock antemeridian (including periods of absence with pay during such hours due to holidays, and any such hours within periods of leave with pay if such periods total less than eight hours during any pay period) shall be considered nightwork, except as provided in subsection (b), and any officer or employee performing such work to whom this title applies shall be compensated for such work at his rate of basic compensation plus premium compensation amounting to 10 per centum of such rate, unless otherwise provided in title IV of this Act. This section shall not operate to modify the provisions of the Act of July 1, 1944 (Public Law Numbered 394, Seventy-eighth Congress), or any other law authorizing additional compensation for nightwork.

Post, p.1111.

58 Stat. 648.
31 USC 180.

"(b) The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, may designate any time after six o'clock postmeridian and any time before six o'clock antemeridian as the beginning and end, respectively, of nightwork for the purpose of subsection (a) at any post outside the several States and the District of Columbia where customary hours of business extend into the hours of nightwork provided by such subsection."

5 USC 922.

SEC. 207. Section 302 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"SEC. 302. (a) All work not exceeding eight hours, which is not overtime work as defined in section 201 of this Act and which is performed on a holiday designated by Federal statute or Executive order, shall be compensated at the rate of basic compensation of the officer or employee performing such work on a holiday plus premium compensation at a rate equal to the rate of basic compensation of such officer or employee.

Ante, p.1109.

"(b) Any officer or employee who is required to perform any work on such a holiday shall be compensated for at least two hours of such work, and any such premium compensation due under the provisions of this section shall be in addition to any premium compensation which may be due for the same work under the provisions of section 301 of this Act providing premium compensation for nightwork.

Supra.

"(c) Overtime work, as defined in section 201 of this Act, on Sundays and such holidays shall be compensated in accordance with the provisions of such section 201." Ante, p. 1109.

SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK

SEC. 208. (a) The Federal Employees Pay Act of 1945, as amended, is amended by inserting after title III thereof a new title to read as follows: 5 USC 901 note.

"TITLE IV—SPECIAL PROVISIONS FOR CERTAIN TYPES OF WORK

"SEC. 401. The head of any department, independent establishment, or agency, including Government-owned or controlled corporations, or of the municipal government of the District of Columbia may, with the approval of the Civil Service Commission, provide that— Premium compensation.

"(1) any officer or employee in a position requiring him regularly to remain at, or within the confines of, his station during longer than ordinary periods of duty, a substantial part of which consists of remaining in a standby status rather than performing work, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this Act. Premium compensation under this paragraph shall be determined as an appropriate percentage (not in excess of 25 per centum) of such part of the rate of basic compensation for any such position as does not exceed the minimum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, by taking into consideration the number of hours of actual work required in such position, the number of hours required in a standby status at or within the confines of the station, the extent to which the duties of such position are made more onerous by night or holiday work, or by being extended over periods of more than forty hours a week, and any other relative factors; or

"(2) any officer or employee in a position in which the hours of duty cannot be controlled administratively, and which requires substantial amounts of irregular, unscheduled, overtime duty and duty at night and on holidays with the officer or employee generally being responsible for recognizing, without supervision, circumstances which require him to remain on duty, shall receive premium compensation for such duty on an annual basis in lieu of premium compensation provided by any other provisions of this Act, except for regularly scheduled overtime duty. Premium compensation under this paragraph shall be determined as an appropriate percentage (not in excess of 15 per centum) of such part of the rate of basic compensation for any such position as does not exceed the minimum scheduled rate of basic compensation provided for grade GS–9 in the Classification Act of 1949, as amended, by taking into consideration the frequency and duration of night, holiday, and unscheduled overtime duty required in such position."

(b) Nothing contained in this section shall be construed to decrease the existing aggregate rate of compensation of any present employee, but when the position of such employee becomes vacant any subsequent appointee thereto shall receive premium compensation provided for such position in accordance with this section. Compensation decrease.

LIMITATION ON PREMIUM COMPENSATION

5 USC 943.

SEC. 209. Section 603 of the Federal Employees Pay Act of 1945, as amended, and the heading immediately preceding such section are amended to read as follows:

"LIMITATION ON PREMIUM COMPENSATION

"SEC. 603. (a) No premium compensation provided by this Act shall be paid to any officer or employee whose rate of basic compensation equals or exceeds the maximum scheduled rate of basic compensation provided for grade GS–15 in the Classification Act of 1949, as amended.

5 USC 1113.

"(b) In the case of any officer or employee whose rate of basic compensation is less than the maximum scheduled rate of basic compensation provided for grade GS–15 in the Classification Act of 1949, as amended, such premium compensation may be paid only to the extent that such payment would not cause his aggregate rate of compensation to exceed such maximum scheduled rate with respect to any pay period."

WORK SCHEDULES

5 USC 944.

SEC. 210. (a) The heading immediately preceding section 604 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"ESTABLISHMENT OF BASIC WORKWEEK; WORK SCHEDULES; PAY COMPUTATION METHODS"

(b) Section 604 (a) of the Federal Employees Pay Act of 1945, as amended, is amended by inserting "(1)" after "(a)" and by adding at the end thereof a new paragraph as follows:

"(2) Except where the head of each such department, establishment, or agency and of the municipal government of the District of Columbia determines that his organization would be seriously handicapped in carrying out its functions or that costs would be substantially increased, he shall provide, with respect to all officers and employees in his organization, (A) that assignments to tours of duty shall be scheduled in advance over periods of not less than one week, (B) that the basic forty-hour workweek shall be scheduled on five days, which shall be Monday through Friday wherever possible, and the two days outside the basic workweek shall be consecutive, (C) that the working hours in each day in the basic workweek shall be the same, (D) that the basic nonovertime workday shall not exceed eight hours, (E) that the occurrence of holidays shall not affect the designation of the basic workweek, and (F) that breaks in working hours of more than one hour shall not be scheduled in any basic workday."

Effective date.

SEC. 211. This title shall become effective at the beginning of the first pay period which begins more than sixty days after the date of enactment of this Act.

TITLE III—GOVERNMENT EMPLOYEES' INCENTIVE AWARDS

Short title.

SEC. 301. This title may be cited as the "Government Employees' Incentive Awards Act".

CSC report to President.

SEC. 302. The departmental awards program set forth in this title shall be carried out under such regulations and instructions as may be issued by the United States Civil Service Commission which shall annually report the results of the program, with related recommendations, to the President for transmittal to the Congress.

SEC. 303. As used in this title, the term "department" means an executive department or independent agency in the executive branch of the Government, including a Government-owned or controlled corporation (but not including the Tennessee Valley Authority), and also includes (a) the Administrative Office of the United States Courts, (b) the Library of Congress, (c) the Botanic Garden, (d) the Government Printing Office, (e) the Office of the Architect of the Capitol, and (f) the municipal government of the District of Columbia. "Department."

SEC. 304. (a) The head of each department is authorized to pay cash awards to, and to incur necessary expenses for the honorary recognition of, civilian officers and employees of the Government who by their suggestions, inventions, superior accomplishments, or other personal efforts contribute to the efficiency, economy, or other improvement of Government operations or who perform special acts or services in the public interest in connection with or related to their official employment. Departmental awards.

(b) In instances determined by the President to warrant such action, he is authorized to pay cash awards to, and to incur necessary expenses for the honorary recognition of, civilian officers and employees of the Government who by their suggestions, inventions, superior accomplishments, or other personal efforts contribute to the efficiency, economy, or other improvement of Government operations, or who perform exceptionally meritorious special acts or services in the public interest in connection with or related to their official employment, and any such Presidential awards may be in addition to the departmental awards authorized in subsection (a) of this section. Presidential awards.

(c) Awards under this section may be paid notwithstanding the death or separation from the service of the officer or employee concerned: *Provided*, That the suggestions, inventions, superior accomplishments, other personal efforts, or special acts or services in the public interest forming the basis for the awards are made or rendered while the officer or employee is in the employ of the Government.

(d) A cash award under this section shall be in addition to the regular compensation of the recipient and the acceptance of such cash award shall constitute an agreement that the use by the Government of the United States or the municipal government of the District of Columbia of any idea, method or device for which the award is made shall not form the basis of a further claim of any nature upon the Government of the United States or the municipal government of the District of Columbia by the employee, his heirs, or assigns.

(e) Awards to employees and expenses for the honorary recognition of employees may be paid from the funds or appropriations available to the activity primarily benefiting or may be paid from the several funds or appropriations of the various activities benefiting as may be determined by the President for awards under subsection (b) of this section, and by the head of the department concerned for awards under subsection (a) of this section. Honorary recognition.

(f) An award under this title shall be given due weight in qualifying and selecting employees for promotion. Promotion.

(g) A monetary award granted under this title shall not exceed $5,000, except that an award in excess of such amount but not in excess of $25,000 may be granted, with the approval of the Commission, in special cases in which the head of a department certifies to the Commission that the suggestion, invention, superior accomplishment, or other meritorious effort for which such award is proposed to be made is highly exceptional and unusually outstanding. Maximum monetary award.

SEC. 305. The following laws and parts of laws are hereby repealed: Repeals.

(a) Sections 702, 1002, and 1003 of the Classification Act of 1949 (63 Stat. 954; 5 U. S. C. 1122, 1152, 1153).

(b) Section 14 of the Act entitled "An Act to authorize certain administrative expenses in the Government service, and for other purposes", approved August 2, 1946 (60 Stat. 809; 5 U. S. C. 116a).

(c) The Act entitled "An Act authorizing payments of rewards to postal employees for inventions", approved December 3, 1945 (59 Stat. 591; 39 U. S. C. 813).

(d) The Act entitled "An Act authorizing the Secretary of War to pay a cash award for suggestions submitted by employees of certain establishments of the Ordnance Department for improvement or economy in manufacturing process or plant", approved July 17, 1912 (37 Stat. 193; 50 U. S. C. 58).

(e) The Act entitled "An Act to provide equitable compensation for useful suggestions or inventions by personnel of the Department of the Interior", approved June 26, 1944 (58 Stat. 360; 5 U. S. C. 500).

(f) Subsections (a) and (b) of section 35 of the Act entitled "An Act to enact certain provisions now included in the Naval Appropriation Act, 1946, and for other purposes", approved August 2, 1946 (60 Stat. 857; 5 U. S. C. 416).

(g) The joint resolution entitled "Joint Resolution to provide cash awards to personnel of the Maritime Commission and the War Shipping Administration for useful suggestions to improve administration of their activities", approved March 13, 1944 (58 Stat. 115; 46 U. S. C. 1111b).

(h) All other laws or parts of laws inconsistent with this Act are hereby repealed to the extent of such inconsistency.

SEC. 306. The enactment of this title shall not affect the right of any employee to an award granted him under any provision of law repealed by this title.

Effective date.

SEC. 307. This title shall take effect on the ninetieth day after the date of its enactment.

TITLE IV—UNIFORM ALLOWANCES

Short title.

SEC. 401. This title may be cited as the "Federal Employees Uniform Allowance Act".

Appropriation.

SEC. 402. There is hereby authorized to be appropriated annually to each agency of the Government of the United States or of the District of Columbia (including Government-owned corporations), upon a showing of the necessity or desirability thereof, an amount not to exceed $100 multiplied by the number of the employees of such agency who are required by regulation existing on the date of enactment of this Act or by law to wear a prescribed uniform in the performance of his or her official duties and who are not being furnished with such uniform. The head of any agency to which any such appropriation is made shall, out of funds made available by such appropriation, (1) furnish to each such employee such uniform at a cost not to exceed $100 per annum, or (2) pay to each such employee an allowance for defraying the expenses of acquisition of such uniform at such times and in such amounts, not to exceed $100 per annum, as may be prescribed in accordance with rules and regulations promulgated pursuant to section 404. Where the furnishing of a uniform or the payment of a uniform allowance is authorized under any other provision of law or regulation existing on the date of enactment of this Act, the head of the agency may in his discretion continue the furnishing of such uniform or the payment of such allowance under such law or regulation, but where a uniform is furnished or allowance paid under any such law or regulation no uniform shall be furnished or allowance paid under this section.

SEC. 403. Allowances paid under this title shall not be considered as pay, salary, or compensation within the meaning of the Civil Service Retirement Act of May 29, 1930, as amended, or as wages within the meaning of section 209 of the Social Security Act, as amended, or chapters 21 and 24 of the Internal Revenue Code of 1954. 46 Stat. 468; 64 Stat. 492. 5 USC 691 note; 42 USC 409.

SEC. 404. The Director of the Bureau of the Budget is authorized and directed to promulgate such rules and regulations as may be necessary to provide for the uniform administration of this title. 68A Stat. 415, 455.

TITLE V—ANNUAL LEAVE

SEC. 501. Clause (6) of section 2 of the Act of August 3, 1950, as amended by section 5 of the Act of July 2, 1953, is amended to read as follows: "(6) payment for all accumulated and current accrued annual or vacation leave equal to the compensation the decedent would have received had he remained in the service until the expiration of the period of such annual or vacation leave; except that such lump-sum payment shall not include compensation for any period of accumulated leave in excess of thirty days, plus current accrued leave, or in excess of the number of days of accumulated leave to which he is entitled on the date of separation (excluding accumulated leave earned in the 1954 leave year and thereafter), plus current accrued leave, whichever is the greater." 67 Stat. 138. 5 USC 61g.

SEC. 502. Section 6 of the Act of July 2, 1953 (Public Law 102, Eighty-third Congress), is hereby repealed. 5 USC 2062b.

SEC. 503. Section 501 of this title shall take effect as of September 1, 1953. Effective date.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. (a) Section 2 (b) of the Performance Rating Act of 1950 (5 U. S. C., sec. 2001) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: 64 Stat. 1098.

"(12) The Central Intelligence Agency."

(b) Section 9 of the Central Intelligence Agency Act of 1949, as amended (50 U. S. C., sec. 403i), is hereby repealed. Repeal.

SEC. 602. (a) Subsection (a) of section 1310 of the Supplemental Appropriation Act, 1952 (Public Law 253, Eighty-second Congress), as amended, is amended to read as follows: 65 Stat. 757. 5 USC 43 note.

"(a) The Civil Service Commission and the heads of the executive departments, agencies, and corporations shall make full use of their authority to require that initial appointments to positions in and outside the competitive civil service shall be made on other than a permanent basis in order to prevent increases in the number of permanent personnel of the Federal Government in excess of 10 per centum above the total number of permanent employees on September 1, 1950: *Provided*, That any position vacated by a permanent employee called to military service or transferred to a national defense agency shall not be filled except on a temporary or indefinite basis. All appointments, reinstatements, transfers, and promotions to positions subject to the Classification Act of 1949 shall be made with the condition and notice to each individual appointed, reinstated, transferred, or promoted that the classification grade of the position is subject to post-audit and correction by the appropriate departmental or agency personnel office or the Civil Service Commission." 63 Stat. 954. 5 USC 1071 note.

(b) Such section 1310 is further amended by adding at the end thereof the following new subsection:

All 68 Stat. 1116.

"(e) This section does not and shall not be construed to amend or modify the Veterans' Preference Act of 1944 (Public Law 359, Seventy-eighth Congress), as amended."

58 Stat. 387.
5 USC 851 note.

SEC. 603. The Official Reporters of the proceedings and debates of the Senate and their employees shall be considered to be officers or employees in or under the legislative branch of the Government within the meaning of the provisions of section 2 (a) of the Federal Employees' Group Life Insurance Act of 1954.

Ante, p. 736.

SEC. 604. The Act entitled "An Act authorizing the employment of mail messengers in the postal service", approved March 3, 1887 (39 U. S. C., sec. 578), is amended by adding at the end thereof the following new paragraph:

24 Stat. 492.

"The Postmaster General may, in his discretion and under such regulations as he may prescribe, readjust the compensation of the holder of any contract for the performance of mail-messenger service on account of increased or decreased costs occasioned by changed conditions which could not reasonably have been anticipated at the time such contract was made."

Approved September 1, 1954.

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